



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 107<sup>th</sup> CONGRESS, FIRST SESSION

Vol. 147

WASHINGTON, TUESDAY, MAY 1, 2001

No. 57

## House of Representatives

The House met at 12:30 p.m.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 560. An act for the relief of Rita Mirembe Revell (a.k.a. Margaret Rita Mirembe).

### MORNING HOUR DEBATES

The SPEAKER. Pursuant to the order of the House of January 3, 2001, the Chair will now recognize Members from lists submitted by the majority and minority leaders for morning hour debates. The Chair will alternate recognition between the parties, with each party limited to not to exceed 30 minutes, and each Member except the majority leader, the minority leader or the minority whip limited to not to exceed 5 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. FRANK) for 5 minutes.

### INVESTIGATION OF CIVILIANS ON NAVY SHIPS CALLED FOR

Mr. FRANK. Mr. Speaker, the terrible tragedy that led to the loss of Japanese lives when one of our submarines surfaced and crashed into a ship obviously consists of the loss of those lives and the trauma of the other people involved, both on the submarine and on the Japanese trawler. But there is another disturbing aspect of that, although it is, of course, far less disturbing than the loss of life. But we cannot do anything about the loss of life. However, we can do something as a House of Representatives, which we are not doing, about the kind of circumstances that led to that.

It is clear that those lives would not have been lost were it not for the

Navy's program of bringing civilians along on military activities for the purposes of lobbying the Congress of the United States. Now, that is true at one level without debate. That submarine would not have left port if it were not for the need to take 16 apparently well-connected, politically influential civilians for a ride. As the New York Times points out, that purpose was to build support among these civilians so they will lobby the Congress for more money.

In addition to the excursion for the 16 civilians being the sole reason for that particular submarine going out, we have questions that the Navy refused to even ask, and certainly to have answered, about the extent to which the 16 civilians on board a very crowded submarine might have contributed to the terrible tragedy.

We have a commander who was ordered to take the submarine out for the purpose of giving the 16 civilians a ride, who has ended his career. That is a sad thing. He appears to have been a very able, very dedicated man. We have other sailors who may be disciplined.

No one appears to be dealing with the policy by which the Navy sent those people into that difficult situation, surfacing the submarine in an area where ships would be around, with 16 civilians present, and the investigation conducted by the Navy which led ultimately to the resignation of the commander appeared designed not to get to the bottom of these questions.

As the New York Times reported on April 22, one of the sailors who had initially indicated that the presence of the civilians was a problem, changed his testimony. Indeed, it appeared that the pressure was on him from the Navy to change his testimony. "It was very dramatic, recalled Jay Fidell, a lawyer and former Coast Guard judge who followed the proceedings as a commentator for the Public Broadcasting System," the New York Times reports.

"There was this long pause, and then he said 'no'" to the question about whether or not the civilians had interfered. He previously said "yes."

What bothers me now is that this House of Representatives, with oversight responsibilities, appears to be ignoring what went on in that situation. The policy of the Navy of scheduling trips solely for the edification of civilians in the hope that they will become political lobbyists appears to be nothing we are going to challenge.

I do not think any other agency in the Federal Government guilty of this practice would be let off so easy. We are told that we do not have enough money in the budget for training missions, but we had enough money in the budget for a mission that had nothing to do with training, was not required for training, but was required to show off for 16 civilians.

We do not know who the 16 civilians were. Were they contributors? I did not think it was a good idea to let contributors sleep in the Lincoln bedroom under President Clinton. But we did not build the Lincoln bedroom solely to let them sleep there. We did not undergo any expenses to let them sleep there.

Letting people sleep in the Lincoln bedroom seems to me to have probably less of a negative impact than sending out a submarine into waters where there are civilian ships, just to make 16 civilians happy. I would rather those 16 civilians have got 16 nights in the Lincoln bedroom than to have a submarine go out there.

Now, it is no one's fault that this led to the loss of life. No one wanted that to happen. Everyone is genuinely sad. A career of a very distinguished officer has, unfortunately, been lost to this. But we did allow a submarine to go out there, knowing that this is a dangerous thing.

So I hope my colleagues in the House with supervisory responsibilities will

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



Printed on recycled paper.

H1665

look into this policy. I believe we ought to say to the Navy, look, it is one thing if you let people observe something that is going to be happening anyway; but scheduling complicated military events, potentially dangerous ones, just so you can show off to people who will become political lobbyists? Do not do that anymore.

[From The New York Times, Apr. 23, 2001]

DESPITE SUB INQUIRY, NAVY STILL SEES NEED  
FOR GUESTS ON SHIPS

(By John Kifner)

HONOLULU, APR. 23, 2001.—The Navy's inquiry into the submarine *Greeneville's* collision with a Japanese fisheries training vessel has sidestepped one factor in the fatal crash: a program hugely popular with the Navy brass in which thousands of civilians, many wealthy or influential, are invited on excursions aboard warships in hopes of bolstering support for the services and, ultimately, their financing.

Adm. Thomas B. Fargo, the commander of the Pacific Fleet, acting on the report of a three-admiral court of inquiry, is expected to recommend a review of the visitors program and suggest a few rules—some of which were already in place and violated by the *Greeneville*—but the program is regarded as so vital, not only by the Navy but by all the services that it is likely to continue virtually unchanged, military officials say. "There is very strong support for this departmentwide," a Navy official at the Pentagon said. "There is no chance that bringing civilians to Navy units is going to stop. By no means."

The role of the visitors program in the accident that killed nine people aboard the Japanese vessel, the *Ehime Maru*, on Feb. 9 is still unclear for several reasons:

The court of inquiry was convened specifically because it was one of the few military panels that could compel civilian testimony, but one of the 16 civilians aboard the submarine were called before it.

The chairman of the panel, Vice Adm. John B. Nathman, said that part of his charge from Admiral Fargo was to look into "implementation of the distinguished visitor embarkation program," but there was little testimony about it.

Two targets of the inquiry—the *Greeneville's* captain and a sailor who failed to manually plot the location of the Japanese ship—have reversed their accounts on whether the presence of civilians in the control room was a factor in the crash.

"In my opinion the investigation is not complete," said Eugene R. Fidell, the president of the National Institute of Military Justice, in Washington. "Never to summon 16 witnesses jammed into that control room is bizarre. 'The Navy, I think, is collectively desperately concerned not to give up the distinguished visitor program.'" Mr. Fidell added. "They don't even want to talk about this. This is a real big deal to the Navy. 'It absolutely has to do with funding, weapons programs,'" he said. "They compete like crazy with the other branches." Last year, the Pacific Fleet welcomed 7,836 civilian visitors aboard its vessels. There were 21 trips aboard Los Angeles-class nuclear attack submarines like the *Greeneville*, with 307 civilian guests, and 74 trips to aircraft carriers, with 1,478 visitors.

Defense Secretary Donald H. Rumsfeld, embarrassed by the incident, said at the time that he would order a review of the program. Mr. Rumsfeld made his statement after disclosures that the sole reason for the *Greeneville's* cruise on the day of the incident was to give a tour to the civilians and that a Texas oil company executive was at

the controls when the submarine shot to the surface, striking and sinking the *Ehime Maru*. Mr. Rumsfeld put a moratorium on civilians' handling controls, but otherwise the programs are continuing in all services. A Navy official said that no review orders had yet been issued by the Pentagon and that the Navy was conducting a review on its own. The submarine's skipper, Cmdr. Scott D. Waddle, is not expected to be court-martialed. Instead, Admiral Fargo, acting on the court of inquiry's report, is expected to announce an administrative punishment on Monday, under which Commander Waddle will resign from the Navy, ending his career at his current rank with an honorable discharge and a full pension.

On March 20, Commander Waddle's civilian lawyer, Charles W. Gittins, seemed to shift direction as he was winding up a rambling closing statement at the end of 12 days of hearings. Mr. Gittins raised the question of the 16 civilians with the retired admiral, Richard C. Macke, who made the arrangements for the submarine tour. Most of the civilians had been planning to take part in a golf tournament, which was later postponed, to raise money for restoration work on the U.S.S. Missouri, the World War II battleship on which the Japanese surrendered in 1945. Among them were oil executives, their wives and a Honolulu couple. Mr. Gittins also wondered aloud about whether there was a business benefit for anyone involved in getting the civilians aboard. Admiral Macke, once a four-star commander in the Pacific, lost his job after he made remarks deemed insensitive, saying that three marines stationed on Okinawa, Japan, who raped a 12-year-old girl in 1995 were stupid because they could have simply hired a prostitute. Although he is retired, Admiral Macke remains active in social affairs related to the Navy, and he is prominent here as an executive of a telecommunications company based in Reston, VA. To some people here, it seemed an implied threat that, if Commander Waddle were to go to a court-martial, Mr. Gittins would raise the presence of civilians as part of his defense and might produce embarrassing material about the visitor program.

Commander Waddle, in his testimony—given voluntarily after he had been denied immunity—said the 16 civilians crowded into the control room did not interfere with operations. Asked twice by different admirals if the civilians were a factor in the accident, Commander Waddle each time replied, "No, sir." But last Monday, the main article on the front page of The Honolulu Advertiser quoted Mr. Gittins as saying that Commander Waddle had changed his mind and now believed that the presence of the civilians broke the crew's concentration at a crucial time. The article also noted that the visitors program "could figure prominently in the unlikely event of a court-martial and prove an embarrassment for the Navy." That same day, Time magazine published an interview with Commander Waddle that said the skipper had "revised his previously benign view of the presence of civilians on board."

Time quoted Commander Waddle as saying "Having them in the control room at least interfered with our concentration." But Petty Officer First Class Patrick T. Seacrest changed his account in the opposite way. Petty Officer Seacrest was the fire control technician, whose job involves keeping track of nearby ships as potential targets for a submarine's torpedoes.

On the day of the accident, an important piece of equipment, essentially a television monitor that displays the sonar soundings, was discovered to be broken soon after the submarine left Pearl Harbor. With the monitor down, Petty Officer Seacrest's old-fashioned plotting of the positions of vessels on

paper became the crucial substitute. He was to have gotten up from his chair and gone to a nearby bulkhead to mark the positions on a scrolling device visible to the officer of the deck at intervals of about three minutes, a former submarine commander said. But some of the visitors were crowded into the narrow path between his post and the plotting paper, and he did not push through them to update the positions. Petty Officer Seacrest told the National Transportation Safety Board investigators and the preliminary Navy inquiry that the presence of visitors had interfered with his task.

John Hammerschmidt, the chief N.T.S.B. investigator, said Petty Officer Seacrest reported that "he was not able to continue his plotting." But when Petty Officer Seacrest appeared before the court of inquiry, testifying under a grant of immunity, he said the civilians had no effect on his task.

"It was very dramatic," recalled Jay M. Fidell (the brother of Eugene R. Fidell), a lawyer and a former Coast Guard judge, who followed the proceedings as a commentator for the Public Broadcasting System. "There was this long, long pause and then he said 'No.'" Under questioning, Petty Officer Seacrest agreed when one of the admirals told him, "You just got lazy, didn't you?"

The main note on the visitors program was struck in the testimony of the submarine fleet commander, Rear Adm. Albert H. Konetzni Jr., a strong advocate of using the program to gain support for more nuclear submarines at a time of shrinking budgets. Admiral Konetzni remarked that attack submarines were named for cities rather than for fish because "fish don't vote." His views were echoed by the other admirals. "The visitors program is the whole thing that's driving this," said Mr. Fidell, the former Coast Guard judge. "Every flag witness said the same thing. It was like something out of 'The Manchurian Candidate.' They are desperate to protect this program."

[From The Washington Post, Apr. 21, 2001]

#### ACCOUNTABILITY AND THE NAVY

A decision by the commander of the Navy's Pacific fleet not to court-martial Cmdr. Scott Waddle or other crew members responsible for the collision of a Navy submarine with a Japanese fishing trawler in February is consistent with the recommendations of the three admirals who conducted a court of inquiry, a fourth admiral who investigated the incident and the record of handling previous accidents at sea. Unfortunately, it is also in keeping with the Navy's pattern of avoiding full disclosure or accountability for its failures.

Two weeks of hearings by the court of inquiry last month showed that Cmdr. Waddle violated procedures and failed to take proper safety measures while seeking to impress 16 VIP visitors aboard the USS *Greeneville*. Among the other things, the veteran skipper took the submarine deeper than allowed, did not order a key piece of equipment fixed and spent only 80 seconds on a periscope search that should have taken three minutes. What followed was a collision that killed four young Japanese fishing students, two teachers and three crewmen aboard the *Ehime Maru* trawler. While accepting those findings, Adm. Thomas Fargo is expected to conduct a private disciplinary hearing for Cmdr. Waddle and allow his honorable discharge from the Navy with a full pension.

The Navy's attempt to justify this decision began even before it was made. The acting secretary of the Navy, Robert B. Pirie Jr., told reporters more than two weeks ago that he sympathized with Cmdr. Waddle and worried a court-martial might hurt morale among Navy officers. He praised Cmdr. Waddle's record; other officials pointed out that

officers have not been prosecuted for past accidents and argued that an end to the commander's Navy career punishment enough. Said Secretary Pirie: "I think this incident is really tragic because of the possibility that the Navy will have lost Scott Waddle's services."

But the real tragedy is the loss of nine lives because of poor conduct aboard the submarine. And while that conduct may not have risen to the criminal, the Navy admirals who drew that conclusion had strong political incentives to do so. Ever since the accident occurred, Navy officials have tried to deflect public attention from the guests aboard the *Greenville* and the larger program of hosting civilians aboard ships. At first the Navy refused to disclose the civilians' names; though the board of inquiry was specifically charged with investigating the guest program and the role of the civilians, none of the VIPs was called to testify during 12 days of public hearings. There are conflicting and still-unresolved accounts about whether the civilians distracted the *Greenville's* commander and crew, but one fact is undisputed: The submarine's excursion that day and the emergency surfacing exercise that led to the collision were conducted solely for the benefit of the visitors, many of whom had earned the trip by raising money for a memorial to the World War II battleship *Missouri*.

Cmdr. Waddle's attorney made clear that his court-martial defense would have focused on the Navy public relations program, a tactic that might have produced just the embarrassment the Navy has tried to avoid. Did that prospect play a role in Adm. Fargo's decision? Yes or no, the absence of a court-martial means the only examination of the civilian guest program will be buried in the 2,000-page report by the court of inquiry. News reports have suggested that Adm. Fargo will recommend a review of the Navy visitor program and a halt to the practice of conducting excursions solely for the benefit of visitors. Those sound like appropriate conclusions. But if the Navy has its way, the reasons for reaching them, and the role played by the visitors program in the *Ehime Maru* tragedy, will never get the full airing that a court-martial would have provided.

[From USA Today, Apr. 23, 2001]

#### NAVY DUCKS SCRUTINY

As the Pacific Fleet commander today metes out punishment against the captain of the sub that collided with a Japanese fishing boat Feb. 9, the disciplinary action is secondary to a more critical point: That the Navy itself is likely to get off unscathed.

The commander already has decided to forgo a court-martial, according to news reports. That means Cmdr. Scott Waddle won't be imprisoned for the botched procedures and cut corners that contributed to the deaths of nine Japanese passengers. Even so, he faces punishment short of jail time.

Not so for the Navy, which ducked self-scrutiny during the public hearings into the collision and is now poised to do so again.

During a 12-day court of enquiry into the deadly transgressions by Waddle and his crew, the Navy failed to question any of the 16 civilian guests for whom that day's sub ride was conducted. And it did so despite the enquiry's written mandate to probe civilian-guest programs. The Navy thus obscured the degree to which its improperly organized public-relations outings distract crew from more important duties, and harm the service's reputation.

It will use the same obscuring tactic today, reading Waddle his punishment behind closed doors in a brief "admiral's mast" proceeding rather than a court-martial. The

latter would have been public and lengthy, and might have triggered an appeal during which any dirty laundry from the Navy's guest program might have come out.

Regardless of the merits of the court-martial decision, no valid interest is served by the Navy's failure to confront hazardous practices. The Navy had until last week to call more witnesses to prove more deeply the civilian guest program. It did not do so.

There's still opportunity for a full accounting. The Navy could report on what went wrong with its civilian visit. Among the questions that remain unanswered are whether the visitors distracted the crew, as some members initially told the National Transportation Safety Board; why the unscheduled civilian ride was held, against guidelines; whether guests were favored because of personal connections; and how pervasive such problems are.

If the Navy stays true to form, such a public accounting won't be forthcoming. It'll be left to the Department of Defense Inspector General or the NTSB to draw conclusions. But these are unlikely to satisfy public and congressional questions as fully as the Navy could, and should.

Shortly after the accident, Waddle publicly took responsibility for it. It's high time his superiors demonstrate the same sense of duty.

#### RESTORING THE LAFAYETTE-ESCADRILLE MEMORIAL

The SPEAKER pro tempore (Mrs. BIGGERT). Under the Speaker's announced policy of January 3, 2001, the gentleman from Florida (Mr. STEARNS) is recognized during morning hour debates for 5 minutes.

Mr. STEARNS. Madam Speaker, I rise today to bring to the attention of my colleagues the deteriorating state of a memorial to our World War I aviators.

The Lafayette-Escadrille Memorial, which is located west of Paris, honors all the United States aviators who flew for France in World War I, with 68 Americans memorialized or buried on the site.

Formed in 1916 as part of the French army, the Lafayette-Escadrille was the birth of the American combat United States Air Force we have today. In fact, Captain Eddie Rickenbacker, the first U.S. trained ace, was trained by Mr. Lufberry, one of the original U.S. volunteers in the Escadrille. "Escadrille" is a French term for squadron.

Seven Americans formed the original American squadron. When the Escadrille transferred to U.S. command in 1918, 265 American volunteers had served in the French air service, with 180 of those having flown combat missions. In all, the Escadrille flew 3,000 combat sorties, amassing nearly 200 victories. By the end of the war, most of the fallen of the Lafayette-Escadrille were buried along the battlefield in various military cemeteries.

A joint French-American committee was organized to locate a final resting place for those American aviators. With land donated by the French Government, the Memorial was dedicated on July 4, 1928.

My colleagues, the memorial is a site to behold. It encompasses an arch of

triumph with a series of columns placed on either side. It contains a sanctuary and a burial crypt. Sunlight fills the tomb by way of 13 stained glass windows. Each of these works of art depicts the Escadrille flying its many missions over the battlefields of Europe. One of the more striking stained glass works depicts the U.S. aviators escorted by an eagle on a symbolic flight across the Atlantic to come to the aid of the French.

However, sadly I report, the memorial is in desperate need of repair. The structure sits in a meadow with a high water table. Heavy rains flood the tomb, worsened by the poorly functioning drains and water leaking through the terrace behind the memorial. Structural repairs are needed for the crypt and the overall foundation, and double glass is needed to protect the remarkable stained glass windows.

In 1930, U.S. attorney Nelson Cromwell founded the Lafayette-Escadrille Memorial Foundation. He endowed the foundation with \$1.5 million for its maintenance, but unfortunately, all of those funds have been exhausted. Today, the foundation has a mirror organization in France and a pledge of monetary support to restore the memorial.

Although studies to estimate the cost of restoring the memorial are ongoing, it is obvious that the resources required will exceed the meager means of the foundation. The French Government has already indicated its willingness to assist, and it is time for the U.S. Government to do the same.

Just as we did in World War I, World War II, and most recently, in the Gulf War, it is time for the U.S. and French Governments to join together in doing what is right and what is just. This is an important memory. We must perform the duty of living and properly honor the memory of those who gave so much.

Combining the efforts of private industry and Congress, it is my hope to join the French in restoring the memorial to its original beauty. It is the right thing to do, to honor our fallen aviators of World War I and to demonstrate our respect for the sacrifices of all Americans in service to our Nation and our allies.

I hope my colleagues will join me in supporting funding for the restoration of this magnificent memorial.

#### ADVOCATING A MORE APPROPRIATE ROLE FOR THE FEDERAL GOVERNMENT IN DISASTER RELIEF

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Madam Speaker, you cannot promote livable communities without examining the problems associated with our complex set of

State, local and Federal policies for emergency relief. Many of these policies have encouraged people to live and invest in places where nature has repeatedly shown they are not welcome.

The recent increase in the number of natural disasters and the associated losses has clearly demonstrated that our protective strategies are inherently flawed. We had better figure it out before we are overwhelmed by further impacts of global climate change.

In the last decade alone, we have lost nearly \$100 billion and almost 1,000 lives. Although we have invested tens of billions of dollars in dams and levees over the last 40 years, our losses now total almost six times the amount lost before we began. Natural forces continue to confound our best engineering efforts.

The average coastline in the United States is due to erode approximately 500 feet over the next 60 years, and this figure does not take into account any rise in sea level or increased intensity of storms due to global warming. Walling off our coastlines is a contest we are going to lose.

The National Flood Insurance Program is a good idea and an important program, but it is not sound because over 8,000 victims of repetitive flood loss are not required to either flood-proof their property or relocate out of harm's way. The worst example of this absurdity is the payment of over \$800,000 to the owner of a home in Houston for 16 losses over 20 years for a home that is appraised at less than \$115,000.

Communities on the West Coast should be required to upgrade seismic standards in preparation for earthquakes, to place vulnerable coastal areas off limits to development, and to carefully evaluate the long-term effectiveness of beach reconstruction and fortification.

□ 1245

All of these actions should emphasize appropriate cost-sharing and environmental sustainability. If State or local governments have not or will not do their job, then Federal support should be phased down.

Davenport Iowa's mayor Phil Yerington is correct to point out that the residents of his city are not the only ones who should be subjected to scrutiny. While I appreciate FEMA director Allbaugh's tough questions, I am not convinced that flood walls are the only or even the best answer. Oftentimes structural solutions may provide local protection but only increase flooding problems downstream. Passive flood control systems using wetlands and other natural features may provide better alternatives.

But whatever the approach, people need to accept the consequences of their location and development decisions. Repetitive flood loss should not be the sole responsibility of the Federal government.

State and local governments should ensure that zoning regulations and

building codes in storm-prone areas are rigorous enough to limit wind and water damage by highly predictable weather patterns.

I commend the FEMA director for his concerns, and stand ready, along with my congressional colleagues, to work with him on these difficult issues. Disaster relief should not be lost in the shuffle of must-pass emergency legislation. It must receive the scrutiny it deserves.

We ought to make sure, for example, that Federal tax dollars are not used to rebuild environmentally-damaging lagoons of hog waste in flood plains. The Coastal Barrier Resources Act was a terrific Reagan-era environmental protection embraced by Democrats and Republicans, environmentalists and business interests alike. It should be extended to all coastal areas.

Sensitive shorelines should not have private development subsidized at the Federal taxpayer expense. Government regulations should be making it cheaper and easier for local communities to take the less intrusive greener approach to flood control than to use the more environmentally-damaging structural approaches.

Project Impact, which invested small amounts of Federal money to develop emergency management partnerships and planning in advance of a disaster, should be enhanced, not eliminated, as recommended by the Bush administration. It was an ill omen for the administration to propose Impact's elimination on the very day of the Seattle earthquake.

It is time for the administration to align its land use, disaster, and infrastructure policies to be supportive these cost-effective, visionary approaches. It is time for Congress to step up to be a full partner, rather than supporting short-term parochial interests that only encourage people to live in harm's way, waste tax dollars, and ultimately make the problem worse.

What better response to this year's Earth Day than a bipartisan cooperative approach between the administration and Congress to tackle this long-term and growing problem.

#### UNITED STATES MISSILE DEFENSE

The SPEAKER pro tempore (Mrs. BIGGERT). Under the Speaker's announced policy of January 3, 2001, the gentleman from Hawaii (Mr. ABERCROMBIE) is recognized during morning hour debates for 5 minutes.

Mr. ABERCROMBIE. Madam Speaker, with the President making his remarks today on missile defense, I think we need to recognize unprecedented political challenges loom on the strategic horizon. Current U.S. defense force planning is set within an atmosphere of great uncertainty. Historic rivals of the United States, such as the Soviet Union and Eastern Bloc nations, have either disintegrated altogether or lost much of their competitive influence.

Regional state actors, particularly on the Asian continent, show signs of future ascendancy on the world political stage. Other nation states, some exhibiting anti-U.S. bent, continue to challenge American allies and interests around the world, even as U.S. peacekeeping and peacemaking commitments evolve.

The very definition of American interests is in transition as varied threats emerge in the post-Cold War world.

International corruption, organized crime, and the production, trade, and trafficking of illicit narcotics is on the rise. These transnational threats contribute to the instability of political systems abroad, the violation of U.S. borders, and often represent a threat to social conditions in the United States.

The threat of terrorism, both state and non-state sponsored, has grown in significance and Americans have increasingly become targets for attackers abroad. According to a December 2000 unclassified Central Intelligence Agency (CIA) report, terrorist attacks against the United States, its forces, facilities, and interests overseas are expected to increase over the next decade. Additionally the report states, "Between now and 2015 terrorist tactics will become increasingly sophisticated and designed to achieve mass casualties." This potential threat is of particular concern for the United States with its open borders, emphasis on local—and perhaps uncoordinated—emergency responders, and a prevalent cultural respect for civil liberties, and, thus, freedom of movement and action. Antiterrorist measures must address all plausible attack scenarios, including the delivery of an explosive device by more traditional means, such as by ship, rail, foot, or automotive vehicle.

The availability of advanced technologies has also reached a significant level of concern as Russia, China, and North Korea, continue to exhibit ambivalent attitudes towards non-proliferation agreements.

The 2001 Report of the Secretary of Defense to the President and the Congress notes the spread of materials with potential applications to nuclear, biological, and chemical weapons, and highlights the proliferation of advanced long-range delivery systems.

Another study, the Quadrennial Defense Review 2001 Working Group by the National Defense University laments, and I quote, "Given the diffusion of advanced military technologies and the proliferation of weapons of mass destruction, one could envision an adversary armed with longer-range missiles and cruise missiles, weapons of mass destruction, advanced integrated air defense systems, and/or sophisticated anti-ship mines and missiles by 2010, if not sooner."

U.S. military forces, then—forward deployed to temper adversarial behavior and required to provide both a credible deterrence and an overwhelming response to aggression if needed—face new and multiple challenges, not the least of which is to consider anew its role in assisting with defense of national territory.

Set within this context, U.S. strategists are challenged with questions about nuclear strategy and force posture, arms control regimes, and missile

defense modernization options. Missile proliferation has introduced an immediate threat to American uniformed personnel stationed abroad, and brought to the fore the prospect of ballistic missile attack on the United States as a real possibility within the next 5 to 7 years.

China, Russia, and North Korea each have well-armed missiles capable of striking parts or all of the United States, and other nations, such as Iran, may possess similar technology in the not too distant future.

This new setting has led some to call for a new strategic synthesis and a doctrinal requirement to, in the words of Michael Krepon, and I quote, "reduce the dangers from missiles and weapons of mass destruction in the uncertain period ahead."

Still, the view of the threat from abroad should not create a threat from within. An effort must be made to avoid strategic decisions that might antagonize our international competitors and/or partners, leading them to adopt a posture even more belligerent in nature. Krepon suggests, and I quote, "The net effect of missile deployments should be to reinforce reductions in nuclear forces, reassure allies, support nonproliferation partners, and reduce the salience of missiles and weapons of mass destruction."

Thus, the threat to America should be viewed holistically. It should be viewed with an eye receptive to the benefits of negotiation, diplomacy, and arms reduction possibilities, mindful of adversarial intent. The possibility of a threat does not necessarily deem it likely. Whereas missile threats to the United States and allies indeed exist and are likely to increase, other threats also remain. America, therefore, should invest in a force structure commensurate with likely threats. Above all, consideration of missile defense systems must not acquire a 21st century Maginot Line mentality.

Calls for nonpartisanship respecting an issue are generally rhetorical and strategic in nature as regards their political origin. Missile doctrine made manifest in congressional policy, however, cries out for just that approach. No other defense posture is as pregnant with controversy and potential for bitter political conflict. The costs of commitment alone set off warning bells throughout the budget spectrum. Discussion can rapidly descend into confrontation and accusation if we do not pledge to bring serious, sober consideration and resolution to the table. What is needed presently is the equivalent of a congressional deep breath.

We need to remember the various missile launch scenarios are abstract evaluations and the solutions promulgated in response are visions, for the most part, still on paper and in the mind's eye.

Missiles, offensive or defensive, are at best a technological answer to a military question, not a diplomatic answer to a question of negotiation.

International diplomacy and national policy remain an art, not a science. Science is fixed and immutable in its consequence, while art, as Andy Warhol said, is what one can get away with.

Congress must guard against allowing missile defense systems becoming the policy, allowing the technology, in effect, to develop its own psychology. There is gradually being created in the United States a burgeoning military and corporate apparatus dependent in large measure on missile defense to rationalize its existence.

It is imperative, therefore, that the Congress assess the role of missile defense policy in the overall context of national security and economic stability. The issues are real. The responsibility is ours.

#### MISSILE DEFENSE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Missouri (Mr. SKELTON) is recognized during morning hour debates for 5 minutes.

Mr. SKELTON. Madam Speaker, it is no secret that missile defense is perhaps one of the most significant national security issues facing the House this year. How our country decides to pursue reducing that specific threat affects how much we will be able to spend on other aspects of defense, how we will deal with our friends and allies, and how America participates in shaping the world.

I do not oppose missile defense. Neither do many Democrats. But I believe, as with any aspect of national security, that our expenditure should be proportional to the threat posed.

My friend, the gentleman from Hawaii (Mr. ABERCROMBIE), has laid out some very sound principles by which I believe we should proceed in considering our system, and that is a significant one.

Reducing the missile threat should be a cooperative undertaking involving the United States, nations that wish us well, and nations that do not. Every missile not built is one we do not have to defend against.

Developing our policy should also be a cooperative process, Madam Speaker. I hope the President will work with Congress in that effort. This is an area where I can assure the President that a bipartisanship is possible.

I look forward to hearing from the expert, the gentleman from South Carolina (Mr. SPRATT), and I also compliment the gentleman from Hawaii (Mr. ABERCROMBIE) on his seminal work in this area. I thank him for that.

Let me speak first about the threat as it involves military intelligence. Missile defense, if nothing else, is at the terminal end of military operations. Its use represents a failure to deter, and perhaps, more to the point, a missed opportunity to have assessed accurately intentions and activity of a potential enemy.

There is no substitute, and I will repeat it, there is no substitute for comprehensive intelligence-gathering and analysis if the preventative value of missile defense is to be maximized.

Now, there are several points that should be brought out that can be termed as principles on missile defense. The deployment of missile defense systems to protect our country and its interests is a decision that should be considered in the following context.

First, missile defense investment must be measured in relation to other military requirements.

Missile defense must counter a credible threat.

Missile defense will require an integrated, fully-funded military and intelligence effort, and I will repeat, that reliability and timely intelligence is critical to the success of any missile defense system.

Missile defense must be proven to work through rigorous, realistic testing prior to any final deployment decisions. In other words, it has to work.

Missile defense must improve overall United States national security. This is fundamentally a question as to whether deploying defenses will encourage opponents to deploy counter-offenses, encouraging in the process a global missile proliferation race.

Missile defense must be deployed with an understanding that those benefiting from its protection will share in its costs. That is, if the benefits of a missile defense system are extended to share with American allies in Europe or elsewhere, equitable burden-sharing arrangements need to be made.

Finally, deployment of missile defense will be debated in relation to the provisions of the antiballistic missile defense system.

Madam Speaker, the whole issue of missile defense will be a serious issue this year. The President is making a statement regarding that later today. It is an area where bipartisanship is needed. It is an area that I feel very certain that bipartisanship will happen, but we need to be thorough and not rush to judgment and do something that is wrong or inaccurate, or something that does not work or meets the threats that are obviously apparent.

Again, let me commend our friend, the gentleman from Hawaii (Mr. ABERCROMBIE), on his efforts. I look forward to hearing our friend, the gentleman from South Carolina (Mr. SPRATT), who has done a great deal of work in this area.

#### SUPPORTING THE PRESIDENT'S MISSILE DEFENSE INITIATIVE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Pennsylvania (Mr. WELDON) is recognized during morning hour debates for 5 minutes.

Mr. WELDON of Pennsylvania. Madam Speaker, I rise in support of the President's announced speech to

move forward with missile defense for this country.

It is outrageous to me, and it should be to our colleagues, Madam Speaker, that 10 years after 28 young Americans came home in body bags from Desert Storm, that we still do not have a highly effective theater missile defense system to protect our troops.

□ 1300

We have made some progress. We have pushed the PAC3 system, to the extent now where it is about to be deployed. We have made progress on the THAAD program, having had successful intercepts three times. We have had success in our Navy areawide program.

The Israelis have had success with the Arrow program. We are now moving together with them on the theater high energy laser program, which offers promising potential for us. We are working with the Europeans, particularly the Germans and Italians on the Medium Extended Area Defense System, or MEADS.

We are making progress, but we still have not had the success that we need. I am convinced that part of that is because for the past 8 years we had no consensus and leadership from the White House pushing this country on military defense as John Kennedy challenged America to land on the moon in 1960, and 9 years later we did it.

Madam Speaker, all of that is changing today, as the highest elected official in our country comes out solidly in favor of missile defense as a resource for defending our people.

Now, some would say, well, why do we worry about missiles when a terrorist can take a truck bomb and do the same thing? Well, we are concerned about terrorists activities. In fact, that is why in our committee we have plussed up funding for work-related to chemical and biological terrorism significantly over the past several years; but the fact is the weapon of choice by Saddam Hussein to kill 28 young Americans was not a truck bomb. It was, in fact, a low-complexity SCUD missile that sent those young Americans, half of them from my State, back home in body bags to be buried by their families.

Some say we cannot rush to judgment on national missile defense, and I can tell my colleagues what the President is going to offer is a layers approach, much like we have advocated, where we deploy those quickest possible technologies that are proven and tested to give us some short-term capability.

I say it is about time that we begin deploying technologies that can assist us. Some of our colleagues will say, wait a minute, the Russians will be backed into a corner. I say that is hogwash. Yes, the Russians do not trust us today.

Madam Speaker, I would say if I were a Russian today, I would not trust America either on missile defense, because three times in the last 10 years,

we have publicly rebuked Russia on cooperation of missile defense. The first was after Boris Yeltsin in 1992 accepted George Bush's challenge to work together, and we began the Ross-Mamedov between our State Department and the Russian Ministry of Foreign Affairs.

In 1993, when Bill Clinton came into office, he abruptly canceled those talks. That sent a signal to Russia, we do not want you involved. The second time was in 1996, when the only cooperative missile defense program between this country and Russia, the Ramos project, was canceled by the Clinton administration.

It was only because CARL LEVIN, people like the gentleman from Missouri (Mr. SKELTON), the gentleman from Hawaii (Mr. ABERCROMBIE), and the gentleman from South Carolina (Mr. SPRATT) went to war with the White House that we were able to reinvigorate the Ramos program and keep it alive, but the signal was sent to Russia we do not want to work with you.

The third example was in 1997, at a time where almost everyone says the ABM treaty needed to be flexible. The administration sent its negotiators to Geneva to negotiate two outrageous protocols that would actually tighten up the ABM treaty. One would create demarcation between theater and national missile defense artificial differentiation, the other would be multilateralization of the treaty.

The administration knew that neither the House or the Senate, especially the Senate would ratify those protocols, but they convinced the Russians that that was our position. Even though the Constitution requires the administration to submit those kinds of changes to the Senate for their advice and the consent for 3 years, the administration never did that, because they knew the Senate would not ratify them.

The Russians for the third time were tricked in their mind, tricked into believing that America really was serious about cooperating with them.

When the Duma included those two protocols, the part of START II ratification last spring, all of a sudden our Senate said no way are we now going to pass START II, because the Duma did what the administration did not do. They attached the protocols to the ABM treaty, as additions to the START II treaty, something that we would never accept in this country.

It is no wonder the Russians do not trust us. If I were in Russia today, I would not trust America's intentions in missile defense either. It is time to get beyond that. We can, in fact, rebuild a trust that we have lost and let the Russians know that missile defense is not about backing them into a corner.

Missile defense is for Americans, for Europeans, for Russians, and for all peaceloving people on the face of the Earth.

#### NATIONAL MISSILE DEFENSE

The SPEAKER pro tempore (Mrs. BIGGERT). Under the Speaker's announced policy of January 3, 2001, the gentleman from South Carolina (Mr. SPRATT) is recognized during morning hour debates for 5 minutes.

Mr. SPRATT. Madam Speaker, President Bush will outline today his plan for national missile defense. I reserve judgment until I hear the speech, but I have been following SDI and NMD, National Missile Defense, for years; and I have a few thoughts of mine that I want to share with the House, for whatever they may be worth.

I think National Missile Defense, NMD, is worth pursuing, and if it works, I think it is worth deploying. But we have not proved that it works, not yet. In fact, after spending more than \$60 billion on missile defense, we have learned as much about its limits as about its potential. Every form of defense we have explored at great expense has been found to be an Achilles heel of one sort or another. Boost-phase interceptors can be thwarted by fast-burn boosters or ablative covers. Space-based systems, whether they are lasers or kinetic interceptors move in fixed orbits and can easily be targeted and taken out. Sea-based systems are constrained by an obvious factor, the finite space availability on ships available.

We for now settle on ground-based, mid-course interceptors, which I consider to be our clear first choice, the right way to go, but I will be first to tell you that the problem of discriminating warheads from decoys and chaff is a daunting problem that is a long way from being resolved.

We have spent 18 years and \$60 billion since Mr. Reagan made his speech; and if we have learned anything, it is that missile defense is not likely to render nuclear weapons impotent and obsolete. It may enhance deterrence, I believe it will; but it is not likely to replace deterrence.

There is, however, a threat, a threat of an unauthorized or accidental attack, a threat of a rogue attack, existing and emerging, and I think it would be wise to have a missile defense system to meet that threat. But we have to recognize, we have to be realistic and recognize that a rogue or unauthorized attack can well come in an unconventional manner and probably will, rather than by missile with the sender's signature written all over it, and that threat, the threat of nuclear weapons in the hands of parties undeterred by our ability to strike back, is a very real threat best opted at its source.

If we strike ahead to defiantly on our own abrogate the ABM treaty and deploy any defense systems that we want to deploy, we may very well jeopardize the arms control measures that make us secure and make ourselves less secure rather than more.

Now, I think that ground-based interceptors are the first right step. We



build the SBIRs-Low system anyway. We are working on a technology here with ground-based interceptors that are complementary to the technology we use for theater missile defense systems. Everybody agrees that is a need we need to develop; and it will be proved to be useful, I think, to have a system on the ground which can be tested continually and improved incrementally.

But having said that, having said that, I want to say, I do not think we should be so zealous to deploy any system that we deploy a substandard system that has not been tested and tested rigorously or else we will find ourselves on a rush to failure.

Finally, I think we need to be realistic. We are soon going to get a defense budget from the Pentagon. We are told it could be to \$200 billion to \$300 billion to \$400 billion more than the \$2 trillion we have already provided in the FYDP for the next 6 years. We need to be realistic about not only the acquisition costs but the life cycle costs of a ballistic missile system.

I do not think NMD deserves a trump card in our budget. It is time, I think, that we in the Congress and elsewhere in the government stopped treating BMD, ballistic missile defense, as a political totem. That is what it has become, a political totem like no other weapon system we have ever seen.

It is time for us to start treating this just as any other weapon system. It does not need cheerleaders. It does not need pallbearers, what BMD, what NMD needs is candor. It needs to be held to the same standards of feasibility, cost effectiveness as every other weapon system we buy and deploy.

If we are going to sell this system to others, our allies, our adversaries, our former adversaries, to Russia, we need to have unity or some cohesion among ourselves, bipartisan unity.

I think if we stay within these bounds, we can build that kind of bipartisan consensus. We should never lose sight of this fundamental fact. We have got a rough, rocky relationship with the Russians right now, but we are making progress.

While we can work with Russia, we should work with Russia to secure their missile systems, to secure their nuclear and fissile materials. And bear this in mind, a critical point, through programs like Nunn-Lugar and the Cooperative Threat Reduction Program, we have helped to deactivate so far 5,288 Russian warheads, 419 long-range missiles, and 367 silos. These numbers, what we have accomplished under these cooperative programs, dwarf the number of warheads that even the most robust NMD system could have handled or could have stopped.

We have only begun in that effort. We do not want to diminish that effort and leave ourselves less secure rather than more secure, that is why I plead to the President not just for the statement of policy, but also for balance and also ask him to make a bipartisan ef-

fort founded on consensus and not just on the unilateral position that his administration is pursuing.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 2 p.m.

Accordingly (at 1 o'clock and 10 minutes p.m.), the House stood in recess until 2 p.m.

□ 1400

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. HASTINGS of Washington) at 2 p.m.

## PRAYER

Dr. Laudis H. Lanford, The Methodist Home for Children and Youth in Macon, Georgia, offered the following prayer:

The Lord be with you, and for our Jewish friends, Sh'ma Yisrael Adonai Elohanu, Adonai Echad.

Oh Lord, my God, how majestic is Your Name in all the earth. Your handiwork is to be exalted and praised before the people. How awesome You are in everything and everywhere. Your love for us is greater than the east is from the west, yes greater than the number of stars in the sky and grains of sand along our shores.

Humble us this day, O God, that we might pause and recognize who You are within our lives and reflect upon the bountiful blessings that You bestow upon us.

Forgive us when we have failed to be obedient to You, both in word and deed. And forgive us when we have not heard the cry of the needy. Forgive us, O God, when we have not loved our neighbors as ourselves. And free us for joyful obedience to You and service to others.

And like Jabez, we call upon You, the God of Israel, saying, O that Thou wouldest bless us indeed, enlarge our coast, that Thine hand might be with us; that Thou wouldest keep us from evil, and that it may not grieve us. Grant, O God, that which we humbly request. Charge to keep I have, a God to glorify, a never dying soul to save, and fit it for the sky.

In the name of the Father, and of the Son, and of the Holy Spirit. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

## PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Michigan (Mr. BARCIA)

come forward and lead the House in the Pledge of Allegiance.

Mr. BARCIA led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

## INTRODUCTION OF GUEST CHAPLAIN, DR. LAUDIS H. LANFORD

(Mr. CHAMBLISS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CHAMBLISS. Mr. Speaker, it is indeed a privilege and a pleasure for me to have Dr. Laudis H. Lanford as the guest chaplain in the House today. My good friend, Rick Lanford, is vice president for development at the Methodist Home for Children and Youth in Macon, Georgia, where he is affectionately known as "Daddy Rick."

Dr. Lanford is a graduate of Emory University in Atlanta and Candler School of Theology, where he received a Master of Divinity, and the McCormick School of Theology, where he received a Doctor of Ministry.

Rick's love of the Lord is exhibited in his everyday life, but no place more than in his work with the 110 orphaned and abused children at the Methodist Home.

Rick has made a strong commitment to his community and his State. He is chaplain for the Macon City Police, the Bibb County, Monroe County, and Jones' County Sheriff's Department. He is also chaplain for the Georgia Sheriff's Association and serves on the Gang Awareness Task Force Committee.

Dr. Lanford changes lives of young people in our part of the State every day. I am proud to have him here today, but I am even more proud to call him my good friend.

## AUTHORIZING THE SPEAKER TO DECLARE A RECESS ON WEDNESDAY, MAY 2, FOR THE PURPOSE OF RECEIVING FORMER MEMBERS OF CONGRESS

Mr. HEFLEY. Mr. Speaker, I ask unanimous consent that it may be in order on Wednesday, May 2, for the Speaker to declare a recess, subject to the call of the Chair, for the purpose of receiving in this Chamber former Members of Congress.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

## PENSION REFORM

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, retirement is something every American needs to prepare for, but with the prices of everything from college educations to

gasoline as high as they are, putting away money is difficult for many Americans. It is not made any easier by a government that takes about 40 percent away in taxes.

This week, the House is going to vote on a bill to make retirement easier for working Americans. We are going to increase IRA contribution limits from \$2,000 a year to \$5,000. We are going to increase the limit on 401(k) contributions to \$15,000. And we are going to allow people close to retirement an additional \$5,000 in catch-up contributions to their 401(k)'s.

Helping people keep more of their own money so they can invest it and retire comfortably is a cause every Member of this body should support. We have not increased IRA limits in 20 years. This legislation is long overdue.

Yes, Republicans passed this legislation before; but this time we have a President who will sign the bill. This time it will become law. I thank the President for joining us in doing the right thing.

#### ABOLISH THE IRS

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, a government investigation said that the IRS gave, quote-unquote, wrong information 50 percent of the time. In addition, they say one-third of all calls to the IRS go unanswered.

Unbelievable. According to my math, the IRS is upside down about 80 percent of the time. If that is not enough to give your 1040 a hernia, the IRS says, give us more money and we will solve our problems. Beam me up. The IRS does not need more money. Congress has got to abolish the IRS.

A recent national poll says 70 percent of American taxpayers favor the Tauzin-Trafficant 15 percent national sales tax. No more forms, no more tax on capital gains, savings, investment, education, inheritance. Think about it. And the IRS is abolished.

I yield back those stumbling, fumbling, bumbling, nincompoops at the IRS.

#### SCHOOL CHOICE WORKS

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, children should not be trapped in a failing school where they cannot possibly reach their fullest educational potential. That is why H.R. 1 includes a school choice program that enables parents to send their children to another school, public or private, after 3 years of chronic failure.

Public support for school choice is strong, especially among African Americans. A survey conducted in 1999 by the Joint Center for Political and

Economic Studies found that approximately 60 percent of African Americans favored school choice. According to a bipartisan poll for the National Education Association conducted in February, 63 percent of Americans say they support President Bush's approach to school choice.

Moreover, school choice programs in Milwaukee, Wisconsin, and Florida have met with significant success. Howard University's Jay P. Greene found that since Florida's A-Plus school choice program began, student test scores have improved across the board. There is evidence that the A-Plus program has compelled failing schools in Florida, now under the threat of losing their students, to improve performance.

It is our responsibility to empower parents to make the right decision for their children's future.

#### VIEQUES, PUERTO RICO

(Mr. ACEVEDO-VILÁ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ACEVEDO-VILÁ. Mr. Speaker, I am here to reaffirm the commitment of the Government of Puerto Rico to find a solution to the situation in Vieques. While we work toward that end, I must bring to your attention recent unfortunate events. The gentleman from Illinois (Mr. GUTIERREZ) was more than one of 150 protestors who committed the misdemeanor offense of trespassing on Federal lands. Some 72 hours after being arrested, our colleague was still detained. This after being denied a phone call for more than 24 hours and having spent a night on a rock strewn floor of an abandoned roofless dog kennel in the rain. I am outraged by the treatment of the detainees by Federal authorities and the use of excessive force against peaceful protestors.

I must address those who have used the issue of Vieques to call into question Puerto Rican commitment to the defense of this great Nation and the principles it represents. For over 100 years, Puerto Ricans have served with distinction and paid the ultimate sacrifice for the United States during war time. I quote Deputy Secretary of Defense Paul Wolfowitz, who said last week, "The patriotism of Puerto Ricans is absolutely certain. Their contribution to our military individually is extraordinary." With the same spirit that Puerto Rican soldiers have defended democracy and justice around the world, today we defend the rise of the more than 9,000 U.S. citizens that live in Vieques.

Vieques is not a partisan issue. It is no longer a Puerto Rican issue. Vieques is an issue of health, environment, and human rights. Paz para Vieques.

#### COMMUNICATION FROM THE HONORABLE PHIL ENGLISH, MEMBER OF CONGRESS

The Speaker pro tempore laid before the House the following communication from the Honorable PHIL ENGLISH, Member of Congress:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, April 27, 2001.

Hon. J. DENNIS HASTERT,

Speaker of the House, Capitol Building.

DEAR MR. SPEAKER: Effective April 27, 2001, I hereby resign from the Committee on Small Business. If you have any questions regarding this matter, please ask your staff to call my Administrative Assistant, Bob Holste at 5-5406.

Sincerely,

PHIL ENGLISH,  
Member of Congress.

#### COMMUNICATION FROM THE HONORABLE RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from the Honorable RICHARD A. GEPHARDT, Democratic Leader:

CONGRESS OF THE UNITED STATES,  
HOUSE OF REPRESENTATIVES, OFFICE OF THE DEMOCRATIC LEADER,  
Washington, DC, April 30, 2001.

Hon. J. DENNIS HASTERT,

Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 1404 of Public Law 99-661 (20 U.S.C. 4703), I hereby appoint the following individual to the Board of Trustees of the Barry Goldwater Scholarship and Excellence in Education Foundation: Mr. Ralph M. Hall, Texas.

Yours Very Truly,

RICHARD A. GEPHARDT.

#### APPOINTMENT OF MEMBERS TO BRITISH-AMERICAN INTER-PARLIAMENTARY GROUP

The SPEAKER pro tempore. Without objection, and pursuant to 22 U.S.C. 2761, the Chair announces the Speaker's appointment of the following Members of the House to the British-American Interparliamentary Group:

Mr. PETRI of Wisconsin; and

Mr. GALLEGLY of California.

There was no objection.

#### ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 6 of rule XX.

Any record votes on postponed questions will be taken after debate has concluded on all motions to suspend the rules, but not before 6 p.m. today.

#### RECOGNIZING IMPORTANCE OF INCREASING AUTISM AWARENESS

Mr. GREENWOOD. Mr. Speaker, I move to suspend the rules and agree to



the concurrent resolution (H. Con. Res. 91) recognizing the importance of increasing awareness of the autism spectrum disorder, and supporting programs for greater research and improved treatment of autism and improved training and support for individuals with autism and those who care for them.

The Clerk read as follows:

#### H. CON. RES. 91

Whereas the Autism Society of America, Cure Autism Now, the National Alliance for Autism Research, Unlocking Autism, and numerous other organizations commemorate April 27 as Autism Awareness Day and April as Autism Awareness Month;

Whereas autism is a developmental disorder that is typically diagnosed during the first three years of life;

Whereas autism has robbed at least 400,000 Americans of their ability to communicate and interact with others;

Whereas autism affects at least 1 in every 500 children in America;

Whereas autism is 4 times more likely in boys than in girls, and can affect anyone regardless of race, ethnicity, or other factors;

Whereas the cost of specialized treatment in a developmental center for autistic persons is approximately \$80,000 per individual per year;

Whereas the cost of special education programs for school-aged children with autism is often more than \$30,000 per individual per year;

Whereas the cost nationally of caring for persons affected by autism is estimated at more than \$13 billion per year; and

Whereas, despite the fact that autism is one of the most common developmental disorders, many professionals in the medical and educational fields are still unaware of the best methods to diagnose and treat the disorder: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring), That the Congress—*

(1) supports the goals and ideas of Autism Awareness Day and Month;

(2) recognizes and commends the parents and relatives of autistic children for their sacrifice and dedication in providing for the special needs of their autistic children and absorbing significant financial costs for specialized education and support services;

(3) supports the goal of increasing Federal funding for aggressive research to learn the root causes of autism, identify the best methods of early intervention and treatment, and promote understanding of the special needs of autistic persons;

(4) urges the Department of Health and Human Services to continue to press for the swift and full implementation of the Children's Health Act of 2000, particularly the establishment of not less than three "Centers of Excellence" at the Centers for Disease Control and Prevention and not less than five "Centers of Excellence" at the National Institutes of Health, in order to monitor the prevalence of autism at a national level, leading to a better understanding of autism and related disorders;

(5) stresses the need to begin early intervention services soon after a child has been diagnosed with autism, noting that early intervention strategies, including Applied Behavioral Analysis, are the primary therapeutic options for young autistic persons;

(6) supports the goal of federally funding 40 percent of the costs of the Individuals with Disabilities Education Act to States and local school districts, recognizing that the inadequacy of this funding has adversely affected the ability of school districts to ap-

propriately respond to the rising number of autism cases in our schools;

(7) urges Federal, State, and local governments to allocate sufficient resources to teacher training initiatives to alleviate the shortage of appropriately trained teachers that have the skills and support necessary to teach, assist, and respond to the special needs of autistic students in our school systems; and

(8) recognizes the importance of worker training programs that are tailored to the needs of developmentally disabled persons, including those with autism, and notes that autistic persons can be, and are, productive members of the workforce if they are given appropriate support, training, and early intervention services.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Pennsylvania (Mr. GREENWOOD) and the gentleman from Pennsylvania (Mr. DOYLE) each will control 20 minutes.

The Chair recognizes the gentleman from Pennsylvania (Mr. GREENWOOD).

□ 1415

#### GENERAL LEAVE

Mr. GREENWOOD. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Con. Res. 91, and include extraneous materials.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GREENWOOD. Mr. Speaker, I yield 3 minutes to the gentleman from Georgia (Mr. NORWOOD).

Mr. NORWOOD. Mr. Speaker, I rise today to support this legislation for two very important reasons: One is a grandchild of Lurla and Richard Mane of Augusta, Georgia, who is an autistic child. The Manes are dear friends, and I have watched as they and their family have struggled with autism over the years.

Mr. Speaker, it is my humble opinion that there are far too many American families suffering the effects of autism on a family member, with far too little being done to search out the cause of autism, or for effective treatments. It seems that no one really cares about autism until their child or a friend's child has autism.

This disease affects nearly half a million Americans, yet there are no FDA-approved treatments. There are no clear diagnostic tests to even accurately determine when the disease exists. Properly directed Federal research aid holds the promise of correcting these deficiencies. We have failed to provide that direction in the past. Let us not fail again in this regard.

Mr. Speaker, the second reason I support this bill is that it recognizes and calls for action on one of the most glaring injustices of this body; namely, our failure to live up to our word for disabled children.

When we passed the Individuals with Disabilities Education Act, known around here as IDEA, we ordered our local schools to provide disabled stu-

dents, including those students suffering from autism, whatever they needed. In return, this body agreed to pay 40 percent of the cost of this Federal mandate, and it may come as little surprise to many of us, the Federal Government has not paid its share of the tab, but we have been sure to fully enforce our local school's obligation to pay theirs.

This bill recognizes that fact and moves this Congress closer to honoring its word. It is time we provided every dollar of support for our autistic students in public schools to which we are obligated.

Mr. DOYLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the cochairman of the Congressional Coalition for Autism Research and Education, it is my honor to speak in support of House Concurrent Resolution 91 which recognizes and commends parents and families of autistic children for their sacrifices and loving dedication to the demanding needs of caring for an autistic loved one.

Mr. Speaker, I want to recognize and thank the gentleman from New York (Mr. ENGEL), my colleague on the Committee on Energy and Commerce, for allowing me to manage the time; and I want to thank the gentleman from New Jersey (Mr. SMITH), cochairman of the Coalition for Autism Research and Education, for introducing this resolution and for his support of autism awareness legislation such as last year's ASSURE Act, which had the support of nearly 200 Members of Congress and is now public law.

Autism is a family of closely related disorders commonly known as autism-spectrum disorders. No matter what particular disorder, autism is a devastating, lifelong impairment of childhood development that significantly impacts the lives of those affected, as well as the lives of parents and relatives. Autism deprives children of their ability to interact with others in ordinary ways. It robs them of the means to understand and communicate, and destroys normal reasoning skills. Autism forever changes the lives of individuals affected, and resonates deeply throughout the social, economic and spiritual lives of all family members.

Mr. Speaker, this disorder affects nearly 1.7 million Americans, with recent evidence pointing to a prevalence rate that one out of every 150 to 170 children born has an autism-spectrum disorder. Autism does not discriminate. It affects all races and economic status with equal veracity. The disorder is more common than Down's syndrome, muscular dystrophy, cystic fibrosis and many forms of childhood cancer.

The symptoms usually become apparent by the first 2 years of life, with nearly 75 percent of cases occurring in the second year as normal reasoning skills fail to develop. The other 25 percent of cases usually occur in the 12-to-24-month time period in which they regress and typical autism behavior

emerges. It is the latter "regressive autism" cases that have been linked to the measles, mumps and rubella vaccination.

Most disturbing is the fact that we simply don't know what causes autism and autism-spectrum disorders, nor do we know any cure for the disorder. But the number of those afflicted continues to grow. For those of us who have not experienced autism directly in our families, it may be difficult to truly comprehend just how demanding and stressful raising a child with autism can be on a family.

Just last Friday, during the first coalition information briefing, I heard a description of autism that, as a father of four children, really hit home for me. Mr. Speaker, imagine that tonight while here in Washington, someone secretly entered my colleague's home and replaced my colleague's son or daughter with another child that looked exactly like their son or daughter, but did not speak or acknowledge when his or her name was called; who found parental affections painful and repulsive. Imagine, Mr. Speaker, if that child changed overnight and remained that way forever. This is autism, my friends.

I have had a long-standing working relationship with autism advocacy leaders both here in Washington and in Pittsburgh. The impact of autism on families and individuals was first brought to my attention by Mr. Dan Torisky. Dan and I met in my early days in politics when I worked for a State senator, and from the first day I met Dan, I was impressed with his tireless and tenacious attitude towards finding a cure for autism. Dan was a past two-term national president of the Autism Society of America, and remains one of the most amazing advocates for autism that I have ever met.

Dan knows autism on a very personal level. Dan's son, Eddie, is autistic; and like all families across America struggling with autism, from day one, Dan and his late wife, Connie, simply wanted their son to have as normal a life as possible. The Toriskys gave me my first comprehensive educational lesson on what it meant for a family to live with autism. I realized that the voices of local researchers, advocacy leaders, and parents needed to be heard by Congress so that they, too, could be educated about the needs for more advanced and dedicated research.

Most importantly, I understand how frustrated parents of autistic individuals are when it comes to their legacy. Who will care for their autistic child when they are no longer here?

Mr. Speaker, the cost associated with caring for and providing critical services to individuals with autism can be phenomenal. In my home State of Pennsylvania, the Autism Society of America estimates that we have 73,686 individuals with autism-spectrum disorders, which translates into about 0.6 percent of the total population. If you take into account early intervention,

special education, transportation to special programs, respite care, housing and special programs for adults with autism, over the course of a year, it is estimated that autism costs Pennsylvania \$50,000 per person.

In my view, Mr. Speaker, Congress must confront the rising problem of autism on three fronts: cause, cure, and quality of life.

We must continue Federal funding of advanced research into the suspected causes of the disorder, including efforts aimed at investigating the connection between late-onset autism and measles vaccinations, and identifying the genetic and biologic basis of susceptibility to autism.

We must continue to fund research into the cures for the disorder that for the time being have helped us better identify and treat autism. Ongoing research has shown that the effects of autism can be mitigated if proper steps are taken to identify the disorder at the earliest age possible, and corresponding intervention programs are applied.

We must also improve the quality of life for individuals with autism, while not turning our back on quality research into the causes and treatment. Autism lasts a lifetime, and often children with the disorder outlive parents. This creates a burden on the health care and social service systems nationwide, one that they are ill-prepared to carry. We need to care for and educate autistic children and adults, and provide properly trained staff and educators to meet the highly complex and specialized needs of these individuals. It is important that we take appropriate steps to reduce the disability associated with autism so that more individuals can work and live semi-independently.

Mr. Speaker, it makes good sense to invest in research now, and passage of House Concurrent Resolution 91 is an important step because it presses for full implementation of the Children's Health Act of 2000, now Public Law 106-310. Particularly important is the establishment of up to three additional Centers of Excellence in Autism at the Centers for Disease Control and Prevention, and up to five more Centers of Excellence to complement the ongoing biomedical research of the existing 10 NIH Collaborative Programs in Excellence in Autism.

It is vital that we in Congress fund research programs without taking away much-needed funding to pay for new programs. I believe that any expansion of research programs must come with a corresponding expansion of funding dollars.

Mr. Speaker, we have a responsibility to help families dealing with autism. We must do our share because autism is not terminal, and 1.7 million families are a growing and strong testament that life not only goes on, but it can flourish, given strong support and an advocacy network.

Mr. Speaker, I reserve the balance of my time.

Mr. GREENWOOD. Mr. Speaker, I yield 4½ minutes to the gentleman from New Jersey (Mr. SMITH), the co-founder of the Autism Coalition and a leader in helping to solve the problems of children with this malady.

Mr. SMITH of New Jersey. Mr. Speaker, I want to thank the gentleman for yielding me this time, and thank him on behalf of his good work for autistic children.

Mr. Speaker, I also thank the gentleman from Pennsylvania (Mr. DOYLE), the cochairman of the Coalition for Autism Research and Education (C.A.R.E.). It is a privilege to work with him, and I thank the gentleman for his work and the work his staff has been doing.

Mr. Speaker, we have 119 members on the Coalition for Autism Research and Education, CARE, and I hope my colleagues who might be watching in their offices and their staffs would look into joining this coalition. We are trying to mobilize Congress in a bipartisan way on behalf of autistic children and adults and their families, who are in great need of our support.

Mr. Speaker, I thank the gentleman from Louisiana (Mr. TAUZIN) and the gentleman from Ohio (Mr. BOEHNER) and the majority leader for releasing this resolution to the floor. It was referred to their respective committees, the Committee on Energy and Commerce and the Committee on Education and the Workforce. The majority leader and the committee chairman worked together to get the resolution to the floor.

Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. GREENWOOD) for his work on behalf of this, and the gentleman from Indiana (Mr. BURTON), who held a very important hearing on the issue of autism, trying to get to the core reasons as to what is causing it.

Mr. Speaker, I thank the gentleman from Florida (Mr. BILIRAKIS), who was the prime sponsor of the Children's Health Act which contained title I which sets up the Centers of Excellence. Many of us worked on that language, and we were very pleased when the gentleman made that title I of his very important health care initiative.

□ 1430

Mr. Speaker, H. Con. Res. 91 calls attention to one of the major public health issues of our time, the developmental disorder called autism. Last Friday (April 27), as Members probably know, parents and families of autistic children from all over the country came down to Washington to mark the second annual Autism Awareness Day and to raise awareness of the challenges and sacrifices families make on behalf of their loved ones. H. Con. Res. 91 calls attention to autism and tries to dedicate this Congress, this body, this House, to supporting efforts to treat and to eventually cure autism. In the meantime, we need to at least mitigate its occurrence.

Mr. Speaker, it is not an exaggeration to say that autism spectrum disorders may be the silent epidemic of our time. It is silent because this developmental disorder has robbed at least 400,000 children of their ability to communicate and interact with their families and their loved ones. It is silent because there are currently no operational autism registries in the Nation to tell us how many people are actually afflicted with this disorder. Conventional wisdom and passive reporting suggests that autism affects at least one in every 500 children in America. Much of the recent anecdotal evidence, however, suggests that autism rates are significantly higher, some say closer to one in every 250 children. We have got to get to the bottom of the numbers but more importantly the why of it. Why is this exploding on our scene in America today? What is the cause? What is the pathway? Is it environmental? Is it an immunization shot? Nobody really knows. There are a lot of theories, but not much when it comes to getting to the bottom of the why of it.

Mr. Speaker, let me just say to my colleagues, I was brought into this 21 years ago by a Dr. Holmes who runs the Eaton Institute in Princeton, a very, very important, dedicated person who has done so much, has literally written books and books on the issue of autism. But more recently it was a family, Bobbi and Billy Gallagher in Brick Town, New Jersey who came to me and said, "We think we have an elevated number of autistic cases in Brick Township, New Jersey." They brought evidence. They had done their own survey, finding that there may be as many as 4 per 1,000 rather than the estimates of 2 per 1,000 in that municipality. We then invited the CDC and ATSDR in and they did an empirical, very scientific study.

The bottom line is that they brought forth information that suggested an elevated incidence of prevalence that exceeded what was supposedly the norm. CDC and ATSDR found, about 4 per 1,000 children had autism, and in the spectrum, 6.7 per 1,000 children this was much higher than what we anticipated. This study may indicate that there is a cluster of children with autism in Brick Township, but this study may portend a much higher incidence occurring throughout the country.

We need to spend more money on this. This resolution at least puts us on record as saying it is important to us, we want to get to the bottom of it, and we want to see implementation of title I of the Children's Health Act.

Mr. DOYLE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Utah (Mr. MATHESON).

Mr. MATHESON. Mr. Speaker, I am pleased to speak today as a member of the Congressional Autism Caucus and to voice my support of House Concurrent Resolution 91. The challenges of autism have been brought to my attention by parents and families whose

lives have been affected by autism. Often these parents suffer as the young children do not speak, do not make eye contact and withdraw from them socially. This legislation provides a call for increased awareness of autism. It commends the courage of parents, recommends early intervention, and encourages training and support for parents, teachers, and professionals who work with autistic children. While once children with autism may have been institutionalized, now early interventions can unlock the worlds of these children.

In my home State of Utah, one of the greatest challenges in expanding services to children with autism is a lack of adequate resources. Many children are denied services due to a lack of space. These are the services which have helped other children learn to interact with family and to combat the debilitating effects of autism. Currently in Utah, there is a call to establish an Autism Center for Excellence, a new school with the space, the trained personnel, the teachers, the social workers, and the researchers all engaged in helping these children and families escape their isolation and integrate into society.

The Carmen B. Pingree School will be the first systemic program in the Nation to help children with autism develop from preschool through the elementary grades. It will provide these early services, and it will engage in progressive research. It is my hope that this legislation will provide some of the needed impetus for the recognition of autism. Hopefully it will be the beginning of many efforts across the Nation to create centers of excellence like the Carmen B. Pingree School to bring crucial services into the lives of children with autism.

Mr. GREENWOOD. Mr. Speaker, I yield 3 minutes to the gentleman from Indiana (Mr. BURTON), the chairman of the Committee on Government Reform.

Mr. DOYLE. Mr. Speaker, I yield 1 minute to the gentleman from Indiana (Mr. BURTON).

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman from Indiana is recognized for 4 minutes.

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. GREENWOOD) for yielding me this time. I would like to congratulate the gentleman from New Jersey (Mr. SMITH) and the gentleman from Pennsylvania (Mr. DOYLE) for cochairing the Autism Caucus.

I did not know much about autism, except it was a disease of some kind that afflicted a lot of kids and some adults until it happened to my grandson. One day he was normal, starting to talk, walking, great kid. He got nine shots in one day. Nine shots in one day. Many of the shots he received had mercury in them. Most people do not know that when their kids are vaccinated, many of the shots they get have thimerosal in them. It is mercury and

mercury is a toxic substance that hurts people, especially children, and it builds up in your system as you get more and more of it.

Anyhow, within just a couple of days after getting nine shots in one day, the MMR shot which has been referred to by the gentleman from Pennsylvania (Mr. DOYLE) and many shots including mercury, he started flapping his arms, running around banging his head against the wall, he had obstructions in his bowel, he had chronic diarrhea, he walked around on his toes, and he has not been normal since.

The interesting thing about this is that I found out after seeing this in my grandson, that not too long ago one in 10,000 children in this country were autistic. One in 10,000. Now it is between 1 in 250 and 1 in 500. The gentleman from New Jersey (Mr. SMITH) just said we have an epidemic on our hands. We really do have an epidemic. In the life span of a child who is autistic, the cost is going to hit this economy to the tune of about \$5 million each. Each. And if 1 in every 250 to 500 children are autistic, we better darn well pretty soon find out the cause. Our health agencies really are not doing much. They are appropriating very, very little money in research into autism.

We have a growing body of scientists and doctors who have testified before my committee and the Congress that are saying that mercury is a contributing factor to autism and Alzheimer's. We have a growing number of people who have Alzheimer's in this country. They are getting shots with mercury in them. I got a vaccination here by the doctor at the Capitol and I found out, he did not know it, he is a great doctor, a fine fellow, but he did not know there was mercury in the vaccine. How many of my colleagues got vaccines this year to protect themselves against the flu, flu vaccine? If you got one, you got mercury in your vaccination. That is a contributing factor according to a lot of scientists and doctors to Alzheimer's and to autism in kids. We need to find out why they are putting mercury in vaccines. It does not have to be in there. We have a supply of vaccines that will take care of our children across this country that does not contain mercury. Yet if you have three shots in one vial, they put mercury in as a preservative. The mercury is very toxic and may be, and we believe it is, a contributing factor to autism.

All I can say is that the FDA and HHS and all of our health agencies need to get on the stick and get things like mercury and aluminum and formaldehyde out of the shots we are giving our children and out of the shots we are giving adults. I just want to tell Members that every parent, every grandparent in this country ought to be concerned about what is going into their children's bodies. Not too long ago the FDA took any topical dressing you put on your skin, they took mercury out of them because it would leach into the skin and could cause a

problem. Yet they still give shots to our children that contain mercury today. As we speak, children are getting mercury injected into their bodies with vaccines.

That is wrong. It should not happen. It should not happen. That is why we in the Congress ought to know everything we can about what is going into our children. Our children get 26 shots by the time they go to school. Many contain these toxic substances. It should not happen. I personally believe that is what caused my grandson's autism, and I believe parents across the country feel the same way. I do not know how many hundreds of parents I have talked to, thousands of parents I have talked to who had the same experience that we had in our family; and it is something that should not happen.

I want to thank the gentleman from Pennsylvania (Mr. DOYLE) and the gentleman from New Jersey (Mr. SMITH) for what they are doing. I want to thank the 113 members that have joined the caucus, and I hope all 435 Members join the caucus and put every bit of pressure we can as well as resources into the health agencies to solve this problem.

Mr. GREENWOOD. Mr. Speaker, I yield 2 minutes to the gentlewoman from my home State of Pennsylvania (Ms. HART).

Ms. HART. Mr. Speaker, I thank the gentleman from Pennsylvania (Mr. GREENWOOD) for yielding time. I also rise in support of House Concurrent Resolution 91. I think there are some bright spots in dealing with the issue of autism. Some of them are due to the fact that this Autism Caucus was created 7 years ago.

There has been a great increase in public education and information on the disorder. Parents have become much more active and involved in helping us to get the word out. The caucus has been designed to show that autism is a major children's health issue. People are beginning to understand how important it is.

Based on the dedicated work of the caucus, there have been 10 research programs funded throughout the country in addition to five comprehensive autism centers providing clinical and educational outreach as well as extensive research. One of the best programs is the University of Pittsburgh-Carnegie Mellon Collaborative Program of Excellence in Autism, or CPEA. It works in conjunction with the University of Pittsburgh Center for Autism Research. These researchers are going to be part of the key to solving the problems of autism.

But aside from the research, it is awareness and community awareness. I want to give special recognition to Renee Georgi, a constituent in my old Senate district who has a son with autism. They discovered very early that her son had autism and because of some of the research and some of the developments in educating young people with autism, her son will be able to

be mainstreamed into his elementary school next year. But that is not the complete solution. We do need to find out the causes of autism. We do need to find a cure. It is with dedicated Members of Congress like those here today that we will be able to work together with researchers and parents to make sure that we find that cure and eliminate autism.

Mr. GREENWOOD. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding me this time. I want to thank the gentleman from New Jersey (Mr. SMITH) for introducing this resolution. I want to thank him and I want to thank the gentleman from Pennsylvania (Mr. DOYLE) for cochairing the Congressional Autism Caucus. I am proud to be a member, also.

Also, I want to point out that the gentleman from Indiana (Mr. BURTON) who chairs the Committee on Government Reform on which I serve has really been exploring through committee hearings the dramatic rise in autism rates and what we can do about it. What was once considered a rare disease affecting one in 10,000 children now, as we have heard now, is estimated to affect one in 500 children, some say one in 250, in the United States.

Over 500,000 people in the United States today have some form of autism. The estimated prevalence rate of autism now places it as the third most common developmental disability, more commonly occurring than Down's syndrome. Unfortunately we found through these hearings that there is almost no existing data on causes or links to causes of autism in children.

We found that there is a real need to fully understand the actual incidence of autism and autism spectrum disorders. For example, we need to better understand what if any is the link between vaccines and acquired or late onset autism. I have no doubt of the need for more autism research that will lead to better treatment options and cures and the need for more practice-based research to evaluate current treatment options.

Autism or autism spectrum disorder is not only simply a learning disability or developmental delay, it is a medical condition, a neurobiological disorder. The Autism Society of America defines autism as a complex developmental disability that typically appears during the first 3 years of life. Children and adults with autism typically have difficulties in verbal and nonverbal communication, social interactions and leisure or play activities. The disorder makes it hard for them to communicate with others and relate to the outside world.

Mr. Speaker, I want to know why autism is four times more prevalent in boys than girls, when in fact autism knows no racial, ethnic or social boundaries, and it appears that family

income, life-style and educational levels do not affect the occurrence of autism.

□ 1445

Mr. Speaker, in this county we look forward to the future. We plan for the future. We look at our children as the future. With the children's future in mind, I urge my colleagues to support this legislation and make sure that that ribbon which has the puzzle pieces in it has those puzzle pieces come together with research.

Mr. GREENWOOD. Mr. Speaker, I yield myself such time as I may consume.

(Mr. GREENWOOD asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. GREENWOOD. Mr. Speaker, the other speakers, my colleagues, the gentleman from Pennsylvania (Mr. DOYLE), the gentleman from New Jersey (Mr. SMITH), the cofounders of the coalition, have outlined the agonies that parents go through when they find that their children suffer from autism. It is just that those precious moments in the upbringing of a child, as the child begins to communicate, there is a glimmer of recognition of the child, of his siblings, of the world around him or her, and the joy of beginning to sing with their children and to teach them their ABCs and to read to them and to laugh with them. It is just at that time in the development of a child that this terrifying phenomenon occurs, and that is closing down where suddenly the child begins to just turn away and fall away from the grasps of the parents, not beyond their love but certainly beyond their ability to communicate. It is a heartbreaking event.

The parents in my district and in my colleagues' districts around the country, many of them decided to turn their anguish into action. They decided that the thing to do was to see if this process that we are engaged in here in Washington actually works. They came to Washington and they said, we need legislation to try to cure this disease, to find out what causes it, to find out how to treat it, to find out how to diagnose it, to teach doctors how to recognize this disease. They came and we introduced legislation in the last session and the session before that. It took a lot of perseverance on the part of these parents and these families coming to Washington over and over again, through all of our press conferences, coming to their Members from around the country to persuade them to join forces with us; but they succeeded.

For a while it was a little bit frightening because the autism bill became a children's health act as one disease after another was added to the legislation. There was some fear that maybe this thing was growing so big that it would be too expensive and too hard to pass; but as it turned out, it created momentum to parents of children with all kinds of conditions who helped to

pass this legislation; and we passed it and it was a wonderful, magnificent example of how our political process can actually work in this country.

The problem was, or the problem became, that now we had to go to the next stage, and that is the implementation. This bill calls for the creation of five Centers of Excellence geographically distributed throughout the country where parents can take their children, when they suspect there might be a problem of this kind, for diagnosis; where they can get them involved in the latest clinical trials; where there are the best researchers, the best doctors, the best experts in the country all located to get to the bottom of this disease, and to provide real hope for the parents that their children can progress and hopefully some day be cured of this.

It turned out it was going to take years, literally years, to get these Centers of Excellence up and running, and that is not what Congress intended, and that was unacceptable.

Just last week during the rally, some parents and I, upset about all of this, called into my office from the Department of Health and Human Services the National Institutes of Health Acting Director Ruth Kirschstein, and we said that it was unacceptable that these Centers of Excellence would be postponed a couple of years. I am pleased to report today that we made magnificent progress in that meeting, and I take my hat off to Dr. Kirschstein for the commitment that she made that day. The commitment that she made is that just 6 weeks from now, by mid-June, June 15 to be precise, the National Institutes of Health will put out the request for applications for the Centers of Excellence. By the end of the year, all of those applications will be in and by next year we will be prepared to the tune of \$12 million, which is their commitment to fund these Centers of Excellence.

So finally this process that these parents have been so engaged in and so many of my colleagues have been so committed to will actually come to fruition, and around the country hopefully we will be able to stand with these parents and their children and cut the ribbons to these centers and have the children walk in and meet their new doctors and their new therapists so that in future years we will be able to report to our colleagues in the House and to the rest of the country that this has worked; that not only did we get a bill passed, but we got it implemented and we got the money spent and we got the experts working side by side with the parents on behalf of these children and, in fact, we can hopefully see the day where these children will begin to come out of these mental prisons in which they have been held captive so cruelly for so many years.

Will that day not be a day for great celebration?

DEPARTMENT OF HEALTH AND HUMAN SERVICES, PUBLIC HEALTH SERVICE, NATIONAL INSTITUTES OF HEALTH,

Bethesda, MD, May 1, 2001.

Hon. JAMES GREENWOOD,  
House of Representatives,  
Washington, DC.

DEAR MR. GREENWOOD: Thank you for the opportunity to discuss implementation of the autism title of the Children's Health Act of 2000 with you, members of your staff, and representatives of Cure Autism Now in your office last Friday. I commend you for your legislative leadership and your personal commitment to focusing federal resources on research that will lead to a better understanding of this terrible illness and eventually better treatment for those who bear its burden. I also want you to know that all of us at the National Institutes of Health (NIH) share your commitment.

I particularly appreciated your patience and objectivity in listening to NIH's plans for meeting the goals of the Act. As my colleagues and I explained, investigators performing autism research represent a relatively small field of science. We believe the field needs to be broadly developed and also invigorated by new researchers with expertise that may expedite and enhance scientific discoveries. At the same time, NIH wants to facilitate the work of outstanding researchers currently in the field by providing additional resources to them, including the establishment of the Centers of Excellence described in the Act.

Toward carrying out the Act's provisions, NIH is in the process of implementing a multi-stage approach to autism research. An important part of our approach is the solicitation, through a recent Request for Applications (RFA), for investigators interested in receiving NIH support to develop research excellence in autism. Separately, NIH will also accept applications from current investigators who believe they have sufficient expertise to coordinate and manage Centers of Excellence, as authorized by the Act. NIH will clarify in a public notice issued within the next ten days that applications will be accepted for this latter endeavor; we intend to issue a separate RFA for Centers of Excellence by June 15, 2001. Of course, applications for both development grants and Centers of Excellence grants must undergo and pass NIH's peer review process.

In addition, I assure you that NIH will strive to fully fund the Centers of Excellence within the parameters of the Act.

I will keep you informed as we proceed. My colleagues and I will answer any additional questions you might have in the future regarding implementation of the Act, as well as any other queries regarding the state of autism research in general. Again, thank you for inviting us to discuss this matter. Please let me know if I can be of additional assistance.

Sincerely,

RUTH L. KIRSCHSTEIN, M.D.,

Acting Director.

Mr. Speaker, I yield back the balance of my time.

Mr. DOYLE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in closing I just want to thank my friend and colleague, the gentleman from Pennsylvania (Mr. GREENWOOD), who has really been one of the leaders in this Congress for the cause of autism, and my good friend, the gentleman from New Jersey (Mr. SMITH). I think we all feel the same way. We do not want to take five steps forward and go 10 steps backward. We

want to make sure that we fund and continue to fund the 10 existing centers as we put the five new ones online.

This comes down to a matter of funding. We are blessed this year to be looking at surpluses in this budget. Surely, we want to make sure we are not robbing from Peter to pay Paul and that as we put these new centers online that we find the funding to do that, without taking any funding away from the research that needs to take place at the existing centers.

Mr. Speaker, I hope we have a strong showing of votes in favor of this resolution for the 1.7 million individuals living with this disorder, of which 400,000 are children.

In closing, I urge passage of House Concurrent Resolution 91, encourage my colleagues who have not yet joined the Coalition for Autism Research and Education Caucus to please do so.

Mr. WAXMAN. Mr. Speaker, I rise in support of H. Con. Res. 91. Over the past few years there has been increasing interest in autism. How prevalent is it? What causes it? How do you treat it? Can we prevent it? During Congressional hearings, we have heard heart-wrenching stories from parents about the shock of hearing the diagnosis of autism, about the battles to find appropriate schooling, and about the desperate search for treatments and cures. One father told us that he has to drive 12 hours every month to take his son to treatment. The testimony of these parents have provided us with crucial information necessary for a better understanding of the impacts of this disease and what our research priorities should be.

We have also heard the testimony of some clinicians who are reporting increasing diagnoses of autistic children in their clinics. CDC researchers have told us that they do not have good data on the number of cases of autism, whether the number is going up and, if it is, by how much. It is important to determine how pervasive this disease is and whether the rates are, in fact, increasing. Many researchers have suggested that environmental factors may contribute to autism. Understanding if there is an increase in incidence and when that increase began may give us some clues to what environmental factors could be to blame.

Researchers have also testified at our hearings that much about the causes of autism remains unknown and that treatment options are limited. And we know that there is no known cure for this disease.

We have heard some positive things as well. Recently, several genes associated with autism have been identified. Last week, researchers from NIH, the March of Dimes, and the MIND Institute at the University of California, Davis, announced that they may have found a biological marker for autism that would allow for the identification of autism earlier in life, before the onset of symptoms. This could lead to better diagnoses of autism, earlier interventions, which are critical for a more successful outcome, and perhaps the discovery of therapies for the disorders.

Despite these recent advances, answers are not coming quickly enough for the parents of autistic children who live with these conditions every day, many of whom have tried every available treatment and intervention and who

are running out of options. It is our obligation to these parents and to their children that we do everything we can to ensure that the best possible research is conducted quickly and thoroughly by appropriating the money authorized under the Children's Health Act and through other authorities of the NIH. In the meantime, while we wait for answers, we need to help parents of these children get the free and appropriate education to which their children are entitled by fully funding the Individuals with Disabilities Education Act.

Many questions about autism remain unanswered. What we do know, however, is that we are not yet doing enough to help these children. I hope that the current attention being given to this devastating disease reflects a renewed commitment on the part of Congress and can bring new hope to families living with autism.

Mr. REYES. Mr. Speaker, I rise today in strong support of H. Con. Res. 91, a resolution recognizing the importance of increasing awareness of autism spectrum disorders, and supporting programs for greater research and improved treatment of autism and improved training and support for individuals with autism and those who care for them. I commend my colleague from New Jersey, Mr. SMITH, for introducing this resolution.

We owe a debt of gratitude to national organizations such as the Autism Society of America, Cure Autism Now, Unlocking Autism, and others that have done a tremendous job with limited resources in their efforts to help parents and relatives of individuals with autism disorders. These groups have long been involved in research as well as in the development of improved treatments for autism. Their local affiliates, like the Southwest Chapter of the Autism Society in El Paso, are a beacon of hope for many families that have few places to turn to for help. I personally want to thank the Southwest Chapter in my district for providing help and networking for local families that are often overwhelmed by dealing with autism disorders.

It is time for Congress to step up to the plate and provide more tools for these families, and to provide the necessary resources for education and increased research. H. Con. Res. 91 is about helping families. For those of you who have a member of the family with autism, and for those of you assisting these families, this resolution is a signal that we in Congress understand the need to tackle autism disorders head on and work together to find better ways to treat autism, to expand federal research, to improve access to a community-based education and support services, and ultimately, to find a cure.

Mr. Speaker, I once again want to thank Congressman SMITH for introducing this resolution, and I urge all of my colleagues to vote in support of this important effort.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of House Concurrent Resolution 91, which recognizes the importance of increasing awareness of the autism spectrum disorder, and in support of programs for greater research and improved treatment and training.

Autism is a development disorder that is typically diagnosed within the first three years of life. It does not discriminate based on family income, lifestyle or educational level. Its cause is essentially unknown. Its prevalence rate makes autism one of the most common developmental disabilities.

As a result of autism, an estimated 400,000 Americans have lost the ability to communicate and interact with others, although many states do not track the numbers. The cost of caring for people afflicted with autism is estimated to be more than \$13 billion per year.

I firmly support the goals and ideas of Autism Awareness Day and Month. A generation ago, most people with autism were housed in institutions. With the appropriate support most families are able to take care of their autistic child at home. Others move into group homes, assisted living or residential facilities.

I recognize and commend the parents of autistic children for the sacrifices and dedication they show in providing for the special needs of their autistic children and absorbing the significant financial costs for specialized education and support services. Special education costs for a child with ASD are over \$8,000 per year, with some specially structured programs costing about \$30,000 per year, and care in a residential school costs \$80,000–100,000 per year.

I support increased federal funding for research to learn the causes of autism, identify the best methods of early intervention and treatment, and promote understanding of the special needs of autistic persons. I also support the goal of federally funding 40 percent of the costs of the Individuals with Disabilities Education Act (IDEA) to states and local school districts, because the funding inadequacy has adversely affected the ability of school districts to serve the rising number of autism cases. Nationally, in 1989–99, the last year for which data is available, IDEA served only about 35,000 students, 4300 in Texas. This is only a portion of those who need such services.

I urge swift implementation of the Children's Health Act of 2000, particularly the establishment of at least three "centers of excellence" at the Centers for Disease Control and Prevention and at least five centers at the National Institutes of Health, in order to monitor the prevalence of autism at the national level. Furthermore, although there is no medical cure for autism, it is crucial that we provide early intervention services soon after a child has been diagnosed with autism. Such services result in dramatically positive outcomes for young children with autism, helping many to eventually live and work independently in the community and become productive citizens.

Mr. Speaker, together we can make a difference.

Mr. GILMAN. Mr. Speaker, I rise today in support of H. Con. Res. 91, which recognizes the importance of increasing our nation's awareness of the autism spectrum disorder, and supporting programs for greater research and improved treatment of autism and improved training and support for individuals with autism and those who care for them.

Autism impacts our society in a myriad of ways. By supporting funding for research and increasing education and awareness, we can begin to effectively fight this devastating disease. It is important to understand how autism is defined, why the autism rate is increasing at an alarming rate, and how we can support effective research that will benefit those who are affected by autism.

Autism is a disease that affects an individual's ability to communicate and interact with people and their environment. While autism

may not have been a common disease during my childhood, the Center for Disease Control and Prevention estimated that autism rates have increased from affecting 1 in 10,000 children to its current rate of 1 in 500 children. If autism is not affected by race, ethnicity, socioeconomic, and educational factors, then what does affect the increasing rate of autism? Only continued research can begin to fully answer this question.

Autism is a disease that paralyzes communication, and we cannot afford to paralyze our own communication between the medical community, the government sector, and those affected by autism. Accordingly, the Committee on Government Reform has recently held a number of hearings that have determined that there is a lack of support for biomedical research into the causes, prevention, and effective treatments of autism. This research is essential to our ability to help those who are affected by this disease. These hearings have also discovered that there may be a significant link between certain childhood vaccines and autism. It is still much too early to draw any concrete conclusions about this relationship, but I am confident that by working with the FDA, NIH and the CDC, we can begin to learn more about autism.

It is gratifying that our colleagues, the gentleman from New Jersey, Mr. SMITH and the gentleman from Pennsylvania, Mr. DOYLE are co-chairing the Congressional Caucus on Autism. This caucus will have to build support for essential autism research. Accordingly, I urge my colleagues to support this important resolution.

Mr. FERGUSON. Mr. Speaker, I am honored to be here in support of H. Con. Res. 91, following the 2nd Annual Autism Awareness Day. This resolution calls attention to one of the major public health issues of our time—the developmental disorder called autism.

Autism has affected the lives of an estimated 400,000 children—one in five hundred—and altered their ability to interact and communicate with family and loved ones. Despite the tremendous impact on families, we still lack adequate information on this condition. In fact, we have no scientific records to indicate exactly how many children have autism, or the degree to which they are affected. Information on the cause and treatment of autism is also severely limited. Despite the fact that autism is one of the most common developmental disorders, many professionals in the medical and education fields are still unaware of the disorder.

Awareness is the key to this important issue. Specialists do know that early intervention services can dramatically improve a child's long-term prospects, if autism is detected at an early age. In many cases, early intervention can determine if a child is able to speak. While the cost of educating a child with autism is expensive, no price tag can be placed on a child's future.

H. Con. Res. 91 is a step in the right direction because it supports greater research and improved treatment of autism. In addition, this legislation appropriately asks for improved training and support for individuals with autism and those who care for them.

As a member of the Autism Caucus, I applaud Chairman CHRIS SMITH's leadership on this important issue. My fellow New Jersey colleague has displayed hard work and dedication as the Chair of the Autism Caucus and



he is the reason that this legislation is before us today. I urge you to join our efforts in support of legislation that will significantly improve the lives of thousands of children.

Mr. COSTELLO. Mr. Speaker, I rise today in strong support of H. Con. Res. 91. Autism, a brain disorder that affects 1 to 2 in every 1,000 Americans, too often results in a lifetime of impaired thinking, feeling, and social functioning. This disability has no racial, ethnic, or social boundary and usually appears in the first three years of a child's life.

In Fairview Heights, Illinois, the Illinois Center for Autism was established in 1977 to provide a Special Day School program. At the time, it was serving eight children with autism. Today, the Illinois Center for Autism has helped prevent the institutionalization of hundreds of people with autism and has assisted them to become productive members of society. I commend the center for its continuing commitment to autism and dedication to service.

Mr. Speaker, it is important to support the goals and ideas of Autism Awareness Day and Month and support the goal of increasing federal funding for aggressive research on autism. I recognize the parents and relatives of autistic children and hope this legislation gives them optimism for their children. The Illinois Center for Autism in my district is one example of true achievement, and I commend the center for its continuing commitment to autism and dedication to service. For these reasons, I support this legislation.

Ms. ROS-LEHTINEN. Mr. Speaker, as an original cosponsor, I would like to express my strong support for H. Con. Res. 91, and I commend my colleague and author of this legislation, CHRISTOPHER SMITH, for addressing the importance in promoting an increased awareness of autism spectrum disease disorders.

Autism is a brain disorder that impacts an individual's ability to respond appropriately to an environment and to form relationships. It affects at least 1 in every 500 children in America, and some studies suggest even 1 in 200. The number of children who are diagnosed with autism has escalated dramatically and, in Florida, approximately 50 percent of children suffering from autism reside in my community of South Florida.

My good friends, Charles and Patience Flick, have two children, Bonnie and Willis, who have autism. This developmental disorder has robbed Bonnie and Willis of their ability to communicate and interact with their family members and playmates. Fortunately, Bonnie and Willis are able to afford the little treatment and intervention that exists, but many families living with this disorder are not as fortunate.

As a Member of the House Autism Caucus, and as a strong supporter of H. Con. Res. 91, I am committed to raise awareness on autism, to work toward an increase of \$6 million for the National Institutes of Health, and an additional increase of \$5 million for the Centers for Disease Control and Prevention.

I support the goals and ideas of Autism Awareness Day and Month, which are: to begin early intervention services for children with autism, federally fund 40 percent of the costs of the Individuals with Disabilities Education Act to States and local school districts, and recognize the importance of worker training programs that are tailored to the needs of developmentally disabled persons, including those with autism.

Mr. Speaker, I commend the House leadership for helping to raise awareness on autism by bringing H. Con. Res. 91 to the floor, and I strongly encourage my colleagues to pass this resolution and join the efforts in finding a cure.

Mr. UNDERWOOD. Mr. Speaker, I rise in strong support of House Concurrent Resolution 91, which recognizes the importance of increasing awareness, support, and research for the autism spectrum disorder. I would like to thank my colleagues, Congressman SMITH of New Jersey and Congressman DOYLE of Pennsylvania for their leadership in introducing this important legislation.

In my district of Guam, 28 children with autism are enrolled in Guam's public school system and 20 families are members of the Autism Society of Guam. Today I would like to take this opportunity to share one mother's challenge of raising a child with autism.

At two years of age, Jay, who is the fourth child of the Flores family in Guam, was able to speak in full sentences with clear articulation. One day he stopped talking. He began to have severe regression, which was noticed at age three. He was not able to make any bowel movements without suppositories. He messed up his bed and played with his feces. He gradually lost the many skills he learned in school. He displayed many difficult behaviors, and was unmanageable in school and at home, alternating between violent and withdrawn behavior. His sleep pattern was erratic and he averaged only about three to four hours of sleep each night. He also required a lot of prompting to do self-help skills.

As Jay became older, he also became worse. He began running into the street and getting inside neighbors' homes. He also was very self-abusive, banging his head and hitting himself so his arms and legs were bleeding. He cried constantly. Around the clock, family life revolved around Jay. His mother sought solutions to his problems. Unfortunately, our system in Guam did not understand Jay's situation. As his mother worked with Jay's teachers to provide the most appropriate program for him, his education seemed to become just a series of fragmented services. At that time, Guam's teachers did not have the training nor were they knowledgeable about autism. Jay's mother was able to locate a school that specialized in teaching children with autism. She was able to work assertively with Guam's special education school officials to send Jay to school in Boston as no schools in Guam were able to provide specialized education for children with autism.

At the Boston school, Jay was able to receive the appropriate service needed to teach children with autism. His overall behavior is now in sharp contrast to the behavior shown before he was given a chance to receive this education. His aggressive behavior has reduced. His artistic talent was nurtured and he is able to play some musical instruments and has mastered some academic skills.

Jay's mother, a teacher by profession, became a strong advocate of the effectiveness of this Higashi program, which was developed by Dr. Kiyo Kitahara of Japan. She learned as much as she could from methods from his teachers and wrote a proposal to Guam's Department of Education about developing a program for autistic students. Guam's education officials realized what a contribution her proposal would bring to improve the special edu-

cation services and gave her approval to move forward her proposal.

She was granted a sabbatical from her teaching position, which she spent studying at Lesley University in Cambridge, Massachusetts. She received her masters in special education focusing on autism in just over a year's time and returned to Guam in 1991, to work with the superintendent of special education establishing a program for school children with autism. In 1995, she was recognized as Guam's Teacher of the Year for her efforts. But, shortly thereafter, the Guam superintendent special education retired and so did the program.

Since then, she has worked with other parents of children with autism to fight for the program she initiated in 1991. Guam's parents and education professionals continue to advocate for appropriate programs for adults and children with autism. Their efforts have resulted in the introduction of Bill 60 in the Guam Legislature to appropriate funding for autistic adults. In addition, one school in Guam recently began offering a preschool program for children with autism. However, the original autism program has not been fully integrated in the school system and many are still not receiving appropriate services.

Jay's mother and other mothers and fathers of children with autism, established the Autism Society of Guam, which was chartered in 1989. The Society's mission is to promote life-long access and opportunity for all individuals with autism spectrum disorders and their families through education, advocacy, the promotion of research and increased awareness, the establishment of residential facility, supported employment, and early intervention programs, so that individuals with autism may become fully participating members of their communities.

Due to the efforts of parents and professionals over the years, autism is locally recognized as one of the most challenging disabilities encountered by educators. As you may know, Guam's school system is struggling to meet the basic needs of all students with limited resources. But awareness of autism is growing and Guam's schools are realizing the need for support services for children with autism, including: one-to-one aide assistance, speech and language therapy, occupational therapy, counseling, transportation, home component services and leisure education. And though many educators on Guam are increasing in the experience of educating children with autism, few receive proper training to gain a comprehensive understand of the problems associated with autism or are properly trained to provide effective therapy to children with autism.

Autism is a developmental disorder that is not fully understood. Although the cost of treatment and special education of individuals with autism is high, the results of individuals living without appropriate treatment and education are even higher. Approximately, 400,000 Americans have been robbed of their ability to communicate and interact with others. As autism continues to affect at least 1 in 500 children in our country, it continues to deserve our greatest support.

Mr. Speaker, it is for this reason I stand in strong support today and urge my fellow colleagues to join in the efforts to increase awareness, support and research of the autism spectrum disorder. I would also like to

take this opportunity to recognize the efforts of Jay's mother, Jelly Flores, President of the Autism Society of Guam and the officers and Board of Directors of the Society: Rosalina Wirkunnen, First Vice President; Lou Bascon, Second Vice President; Flor Paule, Secretary; Maritess Maulit, Treasurer; assistants Remedios Camilsola and Lirio Mondina; and board members, Beverly Bacera, Dolly Montano, Panchito Maulit, Carol Somerflec, Rupert White, Leonardo Paule, Dr. Nerissa Bretania-Shafer, Gericka Tate and Jesus Bacera, for their heroism and heartfelt commitment to fighting for the rights of individuals with autism. I also would like to acknowledge the efforts of Julian and Beka Martinez in their unceasing work to bring attention to this condition here in Washington, D.C.

Mrs. ROUKEMA. Mr. Speaker, I rise today in strong support of H. Con. Res. 91, Recognizing the importance of increasing awareness of the autism spectrum disorder, and supporting programs for greater research and improved treatment of autism.

Autism is a developmental disability that generally appears between 15 and 20 months. Autism affects boys five times more than it affects girls, although girls are generally more severely affected. In the United States, over one half million individuals live with autism, making it more prevalent than Down Syndrome, childhood diabetes, and childhood cancer combined.

Last year the Children's Health Act was signed into law. This important bill authorized among other worthy goals:

Additional NIH "Centers of Excellence" to study autism and the "Centers of Excellence in Autism Epidemiology."

Provides for training and education grants to professionals who provide care for patients with autism.

Provides grants to states that want to establish their own autism programs.

This year we must fund the programs to their full amount.

Another area that is greatly impacted by autism is special education. For many years Congress has been struggling to increase funding for IDEA. I am happy to say that in the last six years we have done better but there is much more to do. We are still well short of the federal funding of level of 40 percent. The federal government must fulfill its commitment so every special child has access to a quality education.

April was Autism month. Families with autistic children visited many congressional offices last week. Anyone who met with these loving families know the courageous struggles that they endure everyday. We must do everything we can to help these brave children and their families. H. Con. Res. 91 reaffirms Congress' commitment to finding a cure for autism and I urge its passage.

Mr. BILIRAKIS. Mr. Speaker, I am delighted that the House is considering H. Con. Res. 91 today. Among its provisions, this resolution expresses our strong support for the goal of increasing federal funding for autism research and treatment programs. It also emphasizes the need to begin early intervention services for children with autism.

I want to commend my colleagues, Congressmen CHRIS SMITH and JIM GREENWOOD, for their dedicated efforts to improve awareness and understanding of autism while working to expand research and treatment initia-

tives. I was pleased to work with both of them to enact children's health legislation I sponsored in the last Congress, which included provisions they authored to significantly increase federal resources in the fight against autism.

Autism is a brain disorder that most commonly begins in early childhood and persists throughout adulthood. Autism impacts the normal development of the brain in the areas of social interaction and communication skills. Children and adults with autism typically have difficulties in verbal and non-verbal communication, social interactions, and leisure or play activities. The disorder makes it hard for them to communicate with others and to relate to the outside world.

Mr. Speaker, autism is a national crisis affecting over 400,000 families and costing the nation over 13 billion dollars each year. According to recent studies, as many as 1 in every 500 children affected by this disorder.

Any parent can tell you that nothing is more heart-wrenching than watching your own child suffer with an illness. As a father and grandfather myself, I know how terrible that can be. Today, however, we have a rare opportunity to do something that will give hope to families affected by autism.

I urge all of my colleagues to join me in supporting passage of H. Con. Res. 91.

Mr. DOYLE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentleman from Pennsylvania (Mr. GREENWOOD) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 91.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. SMITH of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### CRATERS OF THE MOON NATIONAL MONUMENT

Mr. HEFLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 601) to ensure the continued access of hunters to those Federal lands included within the boundaries of the Craters of the Moon National Monument in the State of Idaho pursuant to Presidential Proclamation 7373 of November 9, 2000, and to continue the applicability of the Taylor Grazing Act to the disposition of grazing fees arising from the use of such lands, and for other purposes, as amended.

The Clerk read as follows:

H.R. 601

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. SPECIAL MANAGEMENT REQUIREMENTS FOR FEDERAL LANDS RECENTLY ADDED TO CRATERS OF THE MOON NATIONAL MONUMENT, IDAHO.

(a) REDESIGNATION.—The approximately 410,000 acres of land added to the Craters of the Moon National Monument by Presidential Proclamation 7373 of November 9, 2000, and identified on the map accompanying the Proclamation for administration by the National Park Service, shall, on and after the date of enactment of this Act, be known as the "Craters of the Moon National Preserve".

(b) ADMINISTRATION.—

(1) IN GENERAL.—Except as provided by paragraph (2), the Craters of the Moon National Preserve shall be administered in accordance with—

(A) Presidential Proclamation 7373 of November 9, 2000;

(B) the Act of June 8, 1906, (commonly referred to as the "Antiquities Act"; 34 Stat. 225; 16 U.S.C. 431); and

(C) the laws generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 et seq.).

(2) HUNTING.—The Secretary of the Interior shall permit hunting on lands within the Craters of the Moon National Preserve in accordance with the applicable laws of the United States and the State of Idaho. The Secretary, in consultation with the State of Idaho, may designate zones where, and establish periods when, no hunting may be permitted for reasons of public safety, protection of the area's resources, administration, or public use and enjoyment. Except in emergencies, any regulations prescribing such restrictions relating to hunting shall be put into effect only after consultation with the State of Idaho.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado (Mr. HEFLEY) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Colorado (Mr. HEFLEY).

GENERAL LEAVE

Mr. HEFLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and included extraneous material, on H.R. 601, the bill presently being considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho (Mr. SIMPSON), to explain H.R. 601, which he introduced.

Mr. SIMPSON. Mr. Speaker, I thank the gentleman from Colorado (Mr. HEFLEY) for yielding me the time.

Mr. Speaker, on November 9, 2000, former President Bill Clinton issued Presidential Proclamation 7373 to expand the boundaries of the Craters of the Moon National Monument. Prior to Clinton's proclamation, the monument, which was established by President Coolidge in 1924, comprised 54,440 acres.

Former President Clinton's proclamation expanded the boundaries to include approximately 661,287 acres of additional Federal land. The area is managed by the Secretary of Interior through the National Park Service and

the Bureau of Land Management. The National Park Service manages approximately 410,000 acres of the expansion, while the Bureau of Land Management manages the remaining 251,000 acres. When the monument was expanded, it was understood both by the congressional delegation and by the Governor of the State of Idaho that continued access to hunting would be maintained in the expanded area. However, when the proclamation was issued, hunting was restricted in the area of the expansion which was managed by the National Park Service.

Under this legislation, areas that were open to hunting before the expansion will remain open to hunting. In addition, the amended bill includes language requested by the administration to ensure that the Secretary has appropriate oversight, in cooperation and consultation with the State of Idaho, over hunting activities within the expanded area managed by the National Park Service.

Finally, the bill, as amended, designates the expanded area under the jurisdiction of the National Park Service as a national preserve rather than a national monument.

Unfortunately, due to the outmoded and antiquated national monument process, there was not a formal means by which the State of Idaho, the congressional delegation, and the general public could comment on the proposed monument expansion.

While the Idaho Fish and Game Department expressed their interest in working with the Secretary of Interior to allow for appropriate wildlife management in the expanded area, their concerns largely went unheard.

When the Idaho congressional delegation and the Governor spoke with the Secretary of the Interior regarding the Craters of the Moon expansion, we were led to believe, as I mentioned earlier, that hunting would not be affected. However, when that proclamation was issued, it was realized that current Park Service regulations preclude hunting in the area of the expansion managed by the National Park Service, therefore denying access to traditional hunting grounds.

H.R. 601 is about fairness and ensuring that Idahoans are not locked out of traditional hunting areas. H.R. 601 has the support of the Idaho Fish and Game Commission, the Idaho Fish and Game Advisory Committee, Idaho Wildlife Council, Idaho Wildlife Federation, and local county commissioners. It is a bipartisan bill. It has broad bipartisan support and is also supported by the administration.

Mr. Speaker, I want to thank the subcommittee chairman, the gentleman from Colorado (Mr. HEFLEY), for his work on this and the staff, the majority staff's work on this, and also the ranking member, the gentlewoman from the Virgin Islands (Mrs. CHRISTENSEN), for her work, and the minority staff's work on this piece of legislation. I urge my colleagues to support H.R. 601.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

(Mr. UNDERWOOD asked and was given permission to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, H.R. 601 would provide for hunting on the Federal lands that were included within the Craters of the Moon National Monument when the monument was enlarged on November 9, 2000. The bill as introduced also provided for the disposition of grazing fees arising from the use of the expansion area. In hearings on this legislation before the Committee on Resources, the administration testified in support of allowing hunting in the 410,000-acre expansion area administered by the National Park Service, citing unique circumstances regarding shared management and problems with enforcement.

The administration also recommended an amendment to provide authority for the Secretary to exercise jurisdiction over hunting consistent with what has been done in other areas. The administration further recommended deleting the grazing language, as it is unnecessary.

On a bipartisan basis, the Committee on Resources developed and approved an amendment in the nature of a substitute. The changes made by the amendment address not only matters raised by the administration but also allow us to handle this issue in a manner consistent with long-standing park policies and procedures.

Except for the minor change made by the amendment, no other change is being made to the monument designation or to the management of the significant natural resources of the Craters of the Moon area.

Since it is long-standing policy not to permit hunting in national monuments administered by the National Park Service, the committee amendment redesignates the approximately 410,000-acre expansion area that the National Park Service manages as the Craters of the Moon National Preserve. This change is consistent with previous acts that authorize hunting in national park system units.

Other than hunting, the preserve will be managed exactly the same as the original Craters of the Moon National Monument that the National Park Service also administers.

The committee amendment also includes the administration-requested language on hunting jurisdiction and deletes the unnecessary reference to grazing.

Mr. Speaker, I appreciate the cooperation of the majority members of the Committee on Resources in amending this legislation. While H.R. 601 is a relatively minor clarification of a small management issue, I am encouraged by collaboration exhibited in addressing this matter. I believe we have an improved legislative product with the amendment adopted by the Committee on Resources, and I am pleased

to support the bill as amended; and I congratulate the gentleman from Idaho (Mr. SIMPSON) for his work.

□ 1500

Mr. Speaker, I yield back the balance of my time.

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just like to emphasize one point that the gentleman from Idaho (Mr. SIMPSON) made: H.R. 601 is supported by the administration, and it does have strong bipartisan support. I would urge my colleagues to support H.R. 601, as amended.

Mr. RAHALL. Mr. Speaker, Resource Committee Democrats did not object like, and in fact, support consideration of H.R. 601 because it represents a technical amendment to the recently expanded Craters of the Moon National Monument.

The legislation in no way seeks to repudiate the November 2000 action taken by the Clinton Administration to expand the monument.

In this regard, H.R. 601 simply allows hunting, a traditional use of the expanded area, to continue. Except for hunting, no other change is made or contemplated to the management of the significant natural resources of the Craters of the Moon area.

By way of background, Craters of the Moon National Monument was initially established by Proclamation of President Coolidge in 1924 and is administered by the National Park Service.

Meanwhile, the 661,287 acres of additional Federal lands added to the monument by President Clinton had been managed by the Bureau of Land Management and hunting was permitted on these lands.

Under the Clinton Proclamation, the NPS now manages approximately 410,000 acres of the expansion area which contain nationally significant exposed lava flows, while the BLM continues to administer the remaining 251,287 acre portion of the expanded monument.

As such, while hunting can continue on a portion of the expanded area, since this activity is normally not allowed in monuments administered by the NPS it is not allowed on the other portion of the expanded area.

H.R. 601 addresses this minor discrepancy by redesignating the approximately 410,000 acre expansion area that the NPS manages as the "Craters of the Moon National Preserve." Except for hunting, the preserve will be managed exactly the same as the original Craters of the Moon National Monument.

Again, except for hunting, the preserve will be managed exactly the same as the original Craters of the Moon National Monument.

This bill then in no way reflects a rollback of the Clinton Administration monument designations nor does it signal the willingness of Resources Committee Democrats to support any such move.

Mr. HEFLEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentleman from Colorado (Mr. HEFLEY) that the House suspend the rules and pass the bill, H.R. 601, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to redesignate certain lands within the Craters of the Moon National Monument, and for other purposes."

A motion to reconsider was laid on the table.

# EIGHT MILE RIVER WILD AND SCENIC RIVER STUDY ACT OF 2001

Mr. HEFLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 182) to amend the Wild and Scenic Rivers Act to designate a segment of the Eight Mile River in the State of Connecticut for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes, as amended.

The Clerk read as follows:

H.R. 182

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

## SECTION 1. SHORT TITLE.

*This Act may be cited as the "Eightmile River Wild and Scenic River Study Act of 2001".*

## SEC. 2. FINDINGS.

*The Congress finds that—*

(1) the Eightmile River in the State of Connecticut possesses important resource values, including wildlife, ecological, and scenic values, and historic sites and a cultural past important to America's heritage;

(2) there is strong support among State and local officials, area residents, and river users for a cooperative wild and scenic river study of the area; and

(3) there is a longstanding interest among State and local officials, area residents, and river users in undertaking a concerted cooperative effort to manage the river in a productive and meaningful way.

## SEC. 3. DESIGNATION FOR STUDY.

*Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding at the end the following new paragraph:*

*"(138) EIGHTMILE RIVER, CONNECTICUT.—The segment from its headwaters downstream to its confluence with the Connecticut River."*

## SEC. 4. STUDY AND REPORT.

*Section 5(b) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(b)) is amended by adding at the end the following new paragraph:*

*"(18) The study of the Eightmile River, Connecticut, named in paragraph (138) of subsection (a) shall be completed by the Secretary of the Interior and the report thereon submitted to Congress not later than 3 years after the date of the enactment of this paragraph."*

## SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

*There are authorized to be appropriated such sums as may be necessary to carry out this Act.*

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado (Mr. HEFLEY) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 182, introduced by the gentleman from Connecticut (Mr. SIMMONS) would authorize the Secretary of the Interior to conduct a study of the Eightmile River in Connecticut for the purpose of evaluating its eligibility for designation as a Wild and Scenic River. This study could ul-

timately result in adding a segment of the Eightmile River to the National Wild and Scenic Rivers System.

The Eightmile River in Connecticut is host to a variety of natural, cultural and recreational resources and is currently listed on the National Park Service Nationwide Rivers Inventory, which lists river areas believed to be good candidates for Wild and Scenic River designation.

Mr. Speaker, H.R. 182 is a non-controversial bill that has strong support from State and local officials and the residents of surrounding communities in Connecticut.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

(Mr. UNDERWOOD asked and was given permission to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, H.R. 182 would authorize a study to determine whether it would be appropriate to designate the Eightmile River in Connecticut as part of the Wild and Scenic Rivers program. The Eightmile has already been identified by the National Park Service as a potential Wild and Scenic River based on its outstanding scenic, geologic and wildlife values, and an official study is the next step in the process. It is our hope that once the study has been completed, the Eightmile can be added to the impressive list of waterways included in this important program.

We support H.R. 182 and urge our colleagues to do the same.

Mr. Speaker, I yield back the balance of my time.

Mr. HEFLEY. Mr. Speaker, I yield such time as he may consume to the gentleman from Connecticut (Mr. SIMMONS), the sponsor of this bill.

Mr. SIMMONS. Mr. Speaker, I thank the chairman for yielding me time.

Mr. Speaker, I rise today in support of H.R. 182, which is a bill to study the inclusion of Connecticut's Eightmile River into the National Wild and Scenic River System.

Eastern Connecticut has a wealth of natural beauty, such as the Eightmile River. The river and the watershed it supports are an outstanding ecological system. The streams are free-flowing, they display excellent water quality, and they contain a diversity of fish species, including native trout. The Eightmile River is also an important recreational asset and contributes to the character of the communities that surround it.

That is why on January 3 of this year, on my very first day as a Member of this body, I introduced H.R. 182, to study the Eightmile River for wild and scenic status. I was particularly pleased to be joined in this initiative by all of my House colleagues from Connecticut across party lines. I was also pleased to be joined by Senators DODD and LIEBERMAN, who have introduced companion legislation in the Senate.

For more than 30 years, the National Wild and Scenic Rivers Act has safeguarded some of our Nation's most precious rivers. The act intends to select rivers of the Nation which possess exceptional scenic, recreational, geologic, fish, wildlife, historic, cultural and other values, that they be preserved in free-flowing condition, and that they be protected for the benefit of present and future generations.

Designated rivers receive Federal protection to preserve their free-flowing condition, the water quality and other conservation values. Currently, only one river in Connecticut has this status, the Farmington River.

I believe that the Eightmile River also possesses all of these qualities, and I believe these protections should be considered and extended to this river by the National Park Service.

I am very proud to submit this legislation on behalf of my constituents in East Haddam, Lyme and Salem. I particularly thank East Haddam First Selectman Sue Merrow and Nathan Frohling of the Connecticut Nature Conservancy for their hard work, and I especially express my deep thanks and gratitude to the gentleman from Colorado (Chairman HEFLEY) and to the gentleman from Utah (Chairman Hansen) for moving this legislation forward so quickly.

Mr. Speaker, I urge my colleagues to support this bill.

Mr. UNDERWOOD. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman for yielding time to me.

I would like to just add a voice to the prior issue that was discussed on the floor, H.R. 182, the Eight-Mile River Wild and Scenic River Study Act of 2001. I want to compliment my colleague, the gentleman from Connecticut (Mr. SIMMONS) for sponsoring the bill and spearheading the protection effort.

The Eight-Mile River is a vast watershed with farms and villages. It is an incredible resource and a treasure that the State of Connecticut has. It was once described as the Nation's best-landscaped sewer, and thanks to hard-fought clean-up and protection efforts over the last 30 years, it has been designated a Last Great Place by the Nature Conservancy.

We have made great strides in reversing years of neglect. Much remains to be accomplished. It is seriously endangered by incremental unplanned growth and pollution. What we want to do is to provide the localities there and the communities with the tools they need to balance the needs of conservation and growth to protect this national treasure.

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to commend the gentleman from Connecticut (Mr. SIMMONS) for his tenacious approach to this piece of legislation. The gentleman has given me no peace until

it gets to the floor and gets passage. I think that is an example where a freshman can come to this body and have an impact early on. We appreciate the gentleman's diligence and his effort in this.

Mr. Speaker, this is a very worthwhile project. It has bipartisan support. I do not think there is any reason why we should not all support this piece of legislation and move it on down the road.

Mr. LARSON of Connecticut. Mr. Speaker, I rise today in support of H.R. 182, Eight Mile River Wild and Scenic River Study Act of 2001, sponsored by my colleague ROB SIMMONS from Connecticut.

At the outset, Mr. Speaker, I wish to thank and commend Mr. SIMMONS and my other colleagues from Connecticut who have co-sponsored this bill.

This bill would authorize the National Park Service to conduct a study of Connecticut's Eight Mile River for possible inclusion as part of the National Wild and Scenic Rivers System. The National Wild and Scenic Rivers System was established by Congress in 1968 to recognize and support exceptional rivers.

Connecticut is a State proud of its heritage and natural beauty, ranging from the Connecticut River, to the Litchfield Hills, to the Long Island Sound and the Eight Mile River in Eastern Connecticut. The Eight Mile River and the watershed that supports it is an outstanding ecological system. The designation of the Eight Mile River as part of the National Wild and Scenic Rivers System will offer federal protection and mutually agreed conservation policies that are all desperately needed in a time when the condition of this river is in danger.

This free-flowing river is home to a variety of fish and wildlife and provides cultural, recreational, and scenic benefits that State, local officials, and area residents support. It is a pleasure to see how a project can work in bringing a community together for the greater good of protecting our natural environment.

As a supporter of the Eight Mile River, its recognition and conservation, I am proud to stand here today as an original co-sponsor of H.R. 182 that highlights one of Connecticut's treasures and I urge my colleagues to vote in favor of this measure.

Mr. HEFLEY. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Colorado (Mr. HEFLEY) that the House suspend the rules and pass the bill, H.R. 182, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "To amend the Wild and Scenic Rivers Act to designate a segment of the Eightmile River in the State of Connecticut for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes.".

A motion to reconsider was laid on the table.

## GUAM FOREIGN INVESTMENT EQUITY ACT

Mr. HEFLEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 309) to provide for the determination of withholding tax rates under the Guam income tax.

The Clerk read as follows:

H.R. 309

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SECTION 1. GUAM FOREIGN INVESTMENT EQUITY ACT.

(a) SHORT TITLE.—This section may be cited as the "Guam Foreign Investment Equity Act".

(b) IN GENERAL.—Subsection (d) of section 31 of the Organic Act of Guam (48 U.S.C. 1421i) is amended by adding at the end the following new paragraph:

"(3) In applying as the Guam Territorial income tax the income-tax laws in force in Guam pursuant to subsection (a) of this section, the rate of tax under sections 871, 881, 884, 1441, 1442, 1443, 1445, and 1446 of the Internal Revenue Code of 1986 on any item of income from sources within Guam shall be the same as the rate which would apply with respect to such item were Guam treated as part of the United States for purposes of the treaty obligations of the United States. The preceding sentence shall not apply to determine the rate of tax on any item of income received from a Guam payor if, for any taxable year, the taxes of the Guam payor were rebated under Guam law. For purposes of this subsection, the term 'Guam payor' means the person from whom the item of income would be deemed to be received for purposes of claiming treaty benefits were Guam treated as part of the United States."

(c) EFFECTIVE DATE.—The amendment made by subsection (b) shall apply to amounts paid after the date of the enactment of the Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Colorado (Mr. HEFLEY) and the gentleman from Guam (Mr. UNDERWOOD) each will control 20 minutes.

The Chair recognizes the gentleman from Colorado (Mr. HEFLEY).

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 309, the Guam Foreign Investment Equity Act. This bill, introduced by the gentleman from Guam (Mr. UNDERWOOD), amends the Organic Act of Guam to provide the government of Guam with the authority to tax foreign investors at the same rate as states under the U.S. tax treaties with foreign nations.

H.R. 309, which is supported by both the Republican Speaker and Democratic Governor of Guam, deals exclusively with a Guam territorial income tax that is collected and administered by their government. Because the territorial government of Guam does not have the authority to amend the Organic Act nor their tax rate, congressional action is necessary to conform their income tax rate on foreign investors to that of the 50 States.

In conclusion, I would like to thank the gentleman from Guam (Mr. UNDERWOOD) and the gentleman from Utah (Chairman HANSEN) for their hard work on this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

(Mr. UNDERWOOD asked and was given permission to revise and extend his remarks.)

Mr. UNDERWOOD. Mr. Speaker, as you would acknowledge, this is a very important piece of legislation for the people of Guam, and I would like to urge my colleagues to support H.R. 309, the Guam Foreign Investment Equity Act.

This legislation, which passed the House Committee on Resources on March 28, provides the government of Guam with the authority to tax foreign investors at the same rates as states under U.S. tax treaties. I would particularly like to thank the gentleman from Utah (Mr. HANSEN), the chairman of the Committee on Resources, and the ranking member, the gentleman from West Virginia (Mr. RAHALL), for helping me to expeditiously move this bill to the floor.

During the 106th Congress, virtually identical legislation passed the House as part of an omnibus Guam bill on July 25, 2000. Unfortunately, while agreement was reached with the Treasury Department on the provisions of the bill last year, the Senate was unable to act on this important legislation before sine die adjournment.

H.R. 309 is direly needed by the people of Guam. Given Guam's struggling economy and 15 percent unemployment rate, which is more than three times the national average, unlike the rest of the Nation which has experienced unprecedented economic growth and low unemployment rates the past few years, Guam's economy and tourism industry continues to recover from the Asian financial crisis, given our island's ties to the economies of Asia.

Moreover, given the impact of a likely Federal tax-cut package on the government of Guam's revenue stream, because Guam's tax code exactly mirrors the U.S. Tax Code, I believe that H.R. 309 is also good public policy. The revenues from foreign investment that this legislation will generate for the government of Guam and for the economy of Guam is one way to help mitigate the reduction in local revenues anticipated under any new Federal tax-cut plan.

Currently, under the U.S. Internal Revenue Code there is a 30 percent withholding tax rate for foreign investors in the United States. Since Guam's tax law mirrors the rate established under the U.S. Code, the standard rate for foreign investors in Guam is 30 percent. However, under U.S. tax treaties, it is a common feature for countries to negotiate lower withholding rates on investment returns.

Unfortunately, because there are different definitions for the term "United States" under these treaties, Guam is not included. As an example, with Japan, which has the biggest impact on

our economy, the U.S. rate for foreign investors is 10 percent. That means that while Japanese investors are taxed at a rate of 10 percent withholding tax on their investments in the 50 States, those same investors are taxed at a 30 percent withholding rate on Guam.

While the long-term solution for this is for U.S. negotiators to include Guam in the definition of the term "United States" for all future tax treaties, the immediate solution is to amend the Organic Act of Guam and authorize the government of Guam to tax foreign investors at the same rates as the 50 States.

Other territories under U.S. jurisdiction have already remedied this problem or are able to offer alternative tax benefits to foreign investors to delineate their unique covenant agreements with the Federal Government or through Federal statute. Guam alone is therefore the only State or territory in the United States which is unable to provide this tax benefit.

The Congressional Budget Office has indicated that the legislation will not have an effect on the Federal budget. It simply allows the government of Guam to lower its withholding rate for foreign investors. While the bill will result in the loss of revenue for the government of Guam in the short term, these losses are expected to be offset by the generation of increased tax revenues through increased foreign investments in the long run. Some 75 percent of Guam's current commercial development is funded by foreign investors.

H.R. 309 also incorporates changes recommended by the Treasury Department to ensure that a foreign investor who benefits from this legislation cannot simultaneously benefit from tax rebates under Guam territorial law.

My legislation is supported by Governor of Guam, Carl Gutierrez, the Speaker of the Guam Legislature, Tony Unpingco, and the Guam Chamber of Commerce. I also want to thank my good friend, Senator Ben Pangelinan in the Guam Legislature, who initially suggested this legislation a few years ago.

I have worked closely on this measure with the House Committee on Resources, the House Committee on Ways and Means, the Senate Finance Committee, the Senate Energy and Natural Resources Committee, the Interior Department, Treasury Department and the White House National Economic Council.

I urge my colleagues to support H.R. 309. It is good for Guam's economy, and it is sound national policy towards foreign investments in the United States.

□ 1515

Mr. Speaker, I yield such time as he may consume to the gentleman from American Samoa (Mr. FALLOMAVAEGA). (Mr. FALLOMAVAEGA asked and was given permission to revise and extend his remarks.)

Mr. FALLOMAVAEGA. Mr. Speaker, I certainly want to commend the gen-

tleman from Guam for his leadership and for the authorship of this important legislation. I want to thank our colleague, the gentleman from Colorado (Mr. HEFLEY) for his leadership in managing the legislation pertaining to the Committee on Resources. I thank the gentleman from Utah (Chairman HANSEN) and the gentleman from West Virginia (Mr. RAHALL), the ranking minority member, for their support of this legislation.

Mr. Speaker, I rise in strong support of H.R. 309, a bill to provide for the determination of withholding tax rates on the Guam income tax law. I am often critical of the relationship, or should I say, a lack of a well-defined relationship, currently existing between American Samoa and the United States.

Unlike Guam, the Virgin Islands, Puerto Rico, or the Commonwealth of the Northern Mariana Islands, American Samoa does not have an Organic Act setting forth the basic structure of the government, or a covenant relationship that defines such a relationship, as is currently the case with the Commonwealth of the Northern Mariana Islands.

On the other hand, Mr. Speaker, once a territory becomes organized, the local government loses much of its flexibility that it otherwise would have in addressing many of its social and economic issues.

Mr. Speaker, as many of my colleagues may not be aware, the territory of American Samoa is an unorganized and unincorporated territory of the United States. This year marks the very unique political relationship between American Samoa and the United States which has now existed for over 101 years.

American Samoa now has a territorial Constitution that was approved by the Secretary of the Interior in 1967, but was never approved by the Congress. A law was passed by the Congress in 1984 to prohibit any changes in the territorial Constitution without the consent of the Congress, but at the same time, Congress passed a law in 1929 to delegate all military, judicial, and administrative authority under the control of the President or his designee, currently the Secretary of the Interior. Mr. Speaker, how would we like to figure that one out?

Mr. Speaker, the issue addressed by this legislation is one example of the inflexibility of existing Organic Acts. Under current Federal tax law, there is a 30 percent State income tax rate for foreign investors, or I am sorry, 10 percent for foreign investors in the United States. Guam's territorial tax law is imposed under Federal law, so an act of Congress is needed to change it.

Even though the United States enters into treaties with foreign governments authorizing lower income tax rates for foreign investors in the States of the United States, current treaties do not include the territories as part of the United States. The net result is

that if a Japanese businessman invests in a State of the United States and has an income of \$100,000, that investor pays a \$10,000 tax on the income. That very same investor earning the same \$100,000 in income from an investment in Guam would have to pay \$30,000 in tax, or three times as much.

Given Guam's proximity to Japan and other Asian countries, and given the number of nonaffiliated islands in the Pacific, the 30 percent income tax rate is a considerable disincentive for foreign investors to do business in a territory like Guam, thus hampering Guam's economic development.

I welcome this proposed change in Federal law to permit the governing authority in Guam to tax foreign investors at the same rates as States under U.S. tax treaties with foreign nations.

While American Samoa does not have this problem because it has authority to enact its own tax laws, I would suggest that future tax treaty negotiators include U.S. territories within treaty provisions so separate legislation is not necessary.

Mr. Speaker, I urge my colleagues to support this legislation.

Mr. UNDERWOOD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Colorado (Mr. HEFLEY) for those kind remarks and for his indulgence in seeing this through.

Mr. Speaker, I yield back the balance of my time.

Mr. HEFLEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would encourage my colleagues to support this broadly-supported bill, a bipartisan bill, a good bill. I commend the gentleman from Guam (Mr. UNDERWOOD) for his hard work on it.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentleman from Colorado (Mr. HEFLEY) that the House suspend the rules and pass the bill, H.R. 309.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. HEFLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on the three bills just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There was no objection.



SUPPORTING A NATIONAL  
CHARTER SCHOOLS WEEK

Mr. KELLER. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 95) supporting a National Charter Schools Week, as amended.

The Clerk read as follows:

## H. CON. RES. 95

Whereas charter schools are public schools authorized by a designated public body and operating on the principles of accountability, parental involvement, choice, and autonomy;

Whereas in exchange for the flexibility and autonomy given to charter schools, they are held accountable by their sponsors for improving student achievement and for their financial and other operations;

Whereas 36 States, the District of Columbia, and the Commonwealth of Puerto Rico have passed laws authorizing charter schools;

Whereas 35 States, the District of Columbia, and the Commonwealth of Puerto Rico will have received more than \$500,000,000 in grants from the Federal Government by the end of the current fiscal year for planning, startup, and implementation of charter schools since their authorization in 1994 under part C of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.);

Whereas 34 States, the District of Columbia, and the Commonwealth of Puerto Rico are serving approximately 550,000 students in more than 2,150 charter schools during the 2000 to 2001 school year;

Whereas charter schools can be vehicles both for improving student achievement for students who attend them and for stimulating change and improvement in all public schools and benefiting all public school students;

Whereas charter schools in many States serve significant numbers of students with lower income, minority students, and students with disabilities;

Whereas the Charter Schools Expansion Act of 1998 (Public Law 105-278) amended the Federal grant program for charter schools authorized by part C of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8061 et seq.) to strengthen accountability provisions at the Federal, State, and local levels to ensure that charter public schools are of high quality and are truly accountable to the public;

Whereas 7 of 10 charter schools report having a waiting list;

Whereas students in charter schools nationwide have similar demographic characteristics as students in all public schools;

Whereas charter schools have enjoyed broad bipartisan support from the Administration, the Congress, State governors and legislatures, educators, and parents across the Nation; and

Whereas charter schools are laboratories of reform and serve as models of how to educate children as effectively as possible: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring), That—*

(1) the Congress acknowledges and commends the charter school movement for its contribution to improving our Nation's public school system; and

(2) it is the sense of the Congress that—

(A) a National Charter Schools Week should be established; and

(B) the President should issue a proclamation calling on the people of the United States to conduct appropriate programs, ceremonies, and activities to demonstrate

support for charter schools in communities throughout the Nation.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. KELLER) and the gentleman from Indiana (Mr. ROEMER) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. KELLER).

## GENERAL LEAVE

Mr. KELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the concurrent resolution under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. KELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of House Concurrent Resolution 95, which acknowledges and commends the charter school movement for its contribution to improving our Nation's public school system, and calls for a National Charter Schools Week to be established.

We have all seen the results of inflicting the many unfunded mandates on our Nation's public schools, and believe that the charter school movement, led by California, Arizona, Colorado, Florida, Georgia, Minnesota, New Mexico, Massachusetts, and Wisconsin in the early 1990s, is a direct result of the desire for parents to increase their personal involvement and control of their children's education.

My home State of Florida passed its charter school law in 1996. The latest information available shows that there are 149 charter schools operating in the State of Florida serving over 27,000 students.

New charter schools have swept the country to the point of including 36 States, the District of Columbia, Puerto Rico. This represents a clear change in how education is disseminated across the great country.

There are nearly 2,150 charter schools across the country serving almost 550,000 children. Laboratories of learning are being established from coast-to-coast, and the common denominator between them all is a staunch desire for local hands-on control by parents and teachers. From back-to-back basic schools in Arizona to magnet programs in Colorado, they are all proving that there is not just one way to teach.

Two weeks ago, the State of Indiana passed a very strong charter school law which will likely rank the State in the top dozen of States with the strongest laws. This is an outstanding victory for parents and teachers, who have been waiting a long time to affect their children's education in a positive way.

A recent report by professor Scott Milliman of James Madison University, Frederick Hess, and Robert Maranto of the University of Virginia, and social psychologist April Gresham, revealed that the establishment of charter

schools has spurred noticeable differences in the public school system.

For example, based on a March, 1998, survey of Arizona public school teachers, the researchers concluded that the power of choice and market competition from charter schools led to the following changes between the 1994-1995 and the 1997-1998 school years.

First, districts made greater attempts to inform parents about school programs and options. Second, districts placed greater emphasis on promoting professional development for teachers. Third, school principals increased consultation with the teaching staffs.

The authors also found that charter schools do not replace district schools, but rather, push district schools to compete, primarily because State subsidies follow the students.

This resolution supporting National Charter Schools Week must be used as a means of celebrating true diversity: diversity in education, diversity in learning, and diversity in thought. Supporting National Charter Schools Week lends credence to the proclamation that not everyone thinks alike and not everyone learns alike.

Combined with the Charter Schools Expansion Act from the 105th Congress, it acknowledges the success of thinking outside the box by supporting and commending those communities who have chosen to take control of their own destiny.

Mr. Speaker, I reserve the balance of my time.

Mr. ROEMER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from Florida for helping manage the bill here today, a charter school bill which will establish this week as the National Charter Schools Week, named House Resolution 95.

As our Founding Fathers contemplated the importance of what American society might look like in the ensuing decades after they wrote the Declaration of Independence and the United States Constitution, George Washington, John Adams, Thomas Jefferson, and James Madison all talked of the extreme importance put forward on an enlightened society, on an educated society.

Now, today, in the year 2001, we should put even more importance on our public education school system, on a system that is visionary, that is accountable, that is flexible, that provides more public school choices to our parents to send their children to the very best kinds of schools.

Charter schools, I believe, are part of this effort. Charter schools are part of an effort to provide more vision, more flexibility, more reform, more options, more parental choices, more teacher curriculum, curriculum developed at the local level into the schools.

They might even expand on the school day or the length of the school year, providing more and more options for our schools in an increasingly globally-oriented economy.

When our kids fail, if our kids do not succeed in public education today, it is almost as if a death sentence has been laid upon their heads. If they fail and drop out of school as a third-grader, at 13, or if one does not get that high school degree, our children are almost destined to failure, or oriented toward juvenile reform, prison, and problems where it gets increasingly difficult for us to rescue them. So charter schools are part of this effort to reform our schools and change the way we currently educate our children.

I am also extremely pleased, as we talk about charter schools, that very soon after the State legislature has passed a new charter school bill, the Governor of our State, Governor Frank O'Bannon, will sign Indiana's charter schools into law.

□ 1530

We will become the 38th State with charter schools in this Nation. Charter Schools Week will seek to recognize the accomplishment of charter schools around the country. Charter Schools, as I said before, stress the principles of accountability, parent flexibility, choice and autonomy. Charter schools are public schools that respond to an increasingly high demand for choices from parents, from students, from teachers designed at the local level so that we can respond to the challenges in that local community.

All different kinds of States, the District of Columbia, and the Commonwealth of Puerto Rico are serving more than 500,000 students in almost 2,100 charter schools.

I am especially happy that in many of these charter schools, we have about 7 out of 10 have waiting lists. Seven out of 10 of the charter schools have people waiting to get more of their students into the schools. So that proves that more and more parents want to get their children into a charter school.

There is a criticism of charter schools, and that is that some of them have been shut down, some of them have not worked. We have about a 4 percent failure rate in our charter schools. There are some that do not want to talk about that. As a matter of fact, I think the fact that charter schools are accountable can be closed down, can be reconstituted, can be put on probation and turned around or permanently closed, I think, is a benefit in favor of charter schools.

Out of over 2,000 charter schools, 59, 59 have closed down for various reasons; that is about a 4 percent failure rate, about a 4 percent failure rate at the over 2,100 charter schools where we can make them accountable, where we can reconstitute them, where we can put them on probation and ultimately either make them perform better, close them down and allow students to go to other public schools.

I am also very proud of the fact that as we look at charter schools across the country, whether they are in California or Arizona or the first State to

have charter schools, Minnesota, charter schools also reflect the diversity of our schools across the country in public education.

We have a charter school out in California, where we have had people come in to testify before our Committee on Education and the Workforce called Fenton Charter School, which has over 90 percent eligible for free and reduced lunches, over 90 percent African American and Hispanic enrollment rate, and have seen incredibly good increases in the scores in mathematics, in science, in reading take place since it has changed to a charter school.

So we are seeing schools that reflect a rich diversity of this country, have charter schools and then succeed in terms of educating, graduating and promoting their students.

I am delighted to join with my colleagues today in this resolution, H. Con. Res. 95 to establish this week as National Charter Schools Week. I am anxious to talk about charter schools as we start debate tomorrow in the Committee on Education and the Workforce as we reauthorize the ESEA Act as we look forward to, hopefully, a bipartisan bill that is going to move us forward in terms of our education reform in this country.

Mr. Speaker, I yield 6 minutes to the gentlewoman from the District of Columbia (Ms. NORTON), who, I think, has been a very, very eloquent and articulate spokesperson for public education in this country and someone who has been to many of the charter schools that are here in the District of Columbia.

I have had the pleasure of going to two or three of those schools and have seen the great job that many of those charter schools are doing with respect to students with limited English proficiency, with respect to students eligible for free and reduced lunches, and the increased graduation rates that those schools are achieving in the District of Columbia.

Ms. NORTON. Mr. Speaker, I kindly thank the gentleman from Indiana (Mr. ROEMER) for yielding the time to me.

I congratulate him and the sponsor of this resolution, the gentleman from Florida (Mr. KELLER). I want to commend him for his leadership, particularly on charter schools, which stands out in the stellar leadership that he has given on the issue of education during his years in the Congress.

I come to the floor because the District of Columbia is proud to say that it has probably, I think I can say without contradiction, a greater percentage of its children in charter schools than any school district in the United States. And part of the reason for this is the accommodation of the Congress with me in 1995.

There were fierce fights about vouchers and the imposition of vouchers on the District of Columbia. And, yet, the majority had a point, you cannot say to somebody in the first grade, we will get these schools fixed maybe by the time you are out of school altogether.

The child is in the first grade only once, and I was particularly open to the notion of charter schools as an alternative to the public schools of the District of Columbia, even though I was then and remain opposed to vouchers which the people of the District of Columbia strongly oppose, believing that public money should go to public schools, either public schools in the regular public school system or public charter schools; and we believe that our experience indicates that this is by far the best alternative for those truly searching for an alternative to public schools which need fixing.

The Congress passed a school reform bill which was, in essence, a public charter bill for the District of Columbia in 1995. Look what has happened since then. Thirteen percent of all public school students in the District of Columbia are enrolled in 40 public charter schools. There are public charter schools in seven out of our eight wards. Nearly two thirds of all the public charter school students qualify for free or reduced lunch, yet about half of our public charter schools offer academically rigorous curricula of the liberal arts.

Many of the rest offer curricula in particular subject matters, the arts, foreign language, immersion, technology.

The rate at which charter schools have come on line in the District of Columbia is a model for an alternative school system within the public school system for our country. Over 70 percent of the D.C. public charter schools have fewer than 300 students and small classes are the norm in these charter schools. Many of the parents say they want the charter schools for this reason; they wanted smaller classes. They wanted smaller schools, and they wanted to be freed from the central bureaucracy of the public school system.

They wanted to innovate. Interestingly at the moment, Mr. Speaker, the scores of our public school children are better than the scores of our charter school children. Our public schools have a new mayor, a new school board and new rigor; but we are proud and pleased that we have this great diversity of charter schools here.

The charter schools have pushed our public schools, so that now our public schools are doing very much better than they were doing. And the very thing that we said we wanted the charter schools to do, to be a competitive force to the public schools, has come true.

We do not believe, by the way, that private schools would be that kind of competitive force, because the private schools are outside of the public school systems. We have some of the best private schools in the United States, some of the best private Catholic schools and some of the best private schools that are secular. But when you see a school in your neighborhood dealing with precisely the same children you are dealing with last year and they now have

moved to another school and they would rather be in that school, that, my friend, is competition.

That is why we believe that the best competition for the public schools are not vouchers, are not fancy schools, by or whatever other name you call them. But a charter school right next to a public school where the child is going, compare how those children are doing, and then you will have real competition between your public school and your charter school. And your public school will do what our public schools are doing, our public schools will have to do better.

Mr. ROEMER. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like to say to the gentlewoman from the District of Columbia (Ms. NORTON), my classmate from the 1990's election, that in the charter schools that I have visited across the country, certainly the charter schools in the District of Columbia stand out as some of the very best.

I remember charter schools that I visited a couple of years ago right here on the Hill, where they had smaller classes, they were also teaching some of the more challenged students, students that had actually dropped out of other schools and had, I believe, a 15 percent to 20 percent higher graduation rate from that particular charter school than the surrounding public schools taking on some of the most at-risk and challenging students.

I commend the job that those charter schools are doing. These charter schools are a choice, a public school choice, a supplement to the system. I know in the charter schools that I visited in Chicago that they are part of the reform efforts successfully taking place to make the Chicago schools better and better and better schools in one of the biggest school districts in the country.

We are delighted to have this resolution before us.

Mr. CUMMINGS. Mr. Speaker, today I rise in support of H. Con. Res. 95, supporting National Charter Schools Week.

Franklin Roosevelt once said that, "we cannot always build the future for our youth, but we can build our youth for the future." I truly believe that statement. The proper education of all children is essential in order to build our youth for the future. We do not have a more important issue in American today than investing in our children by making sure they have a quality education. In celebrating National Charter Schools Week, we recognize the principle in highlighting many accomplishments of charter schools around the country.

Charter schools are public schools that are given flexibility and independence in exchange for being held accountable for improving student achievement and for their financial operations. They provide a different and unique model for public schools with new, innovative programming and smaller class sizes without so much red tape. Unlike vouchers, charter schools do not take money from public schools because the public funds remain in the public school system.

In 1994, there were less than a dozen charter schools in America. Today there are more

than 2,150 charter schools across the nation. Currently, 36 states, the District of Columbia and Puerto Rico have passed laws authorizing charter schools. Although in my home state of Maryland, the General Assembly again failed to pass legislation authorizing the establishment of public charter schools, I am pleased that Baltimore City has a few schools similar to charter schools. My daughter attends one of these schools in Baltimore City.

As the national debate on how to improve our public schools continues, we must do all we can to hire more teachers, reduce class size, modernize our nation's public school, put computers in every classroom, and encourage parental involvement. Supporting the creation of charter public schools is one concept that will help improve public schools because charter schools pressure the more traditional public schools to continue to strive for excellence.

As this body considers various education initiatives, such as ESEA, and education funding, let us be committed to supporting creative solutions, such as public charter schools, while ensuring that we maintain quality education for all of our nation's youth.

Mr. BOEHNER. Mr. Speaker, in honor of National Charter Schools Week, I rise in strong support of H. Con. Res. 95.

This weeklong celebration, which started yesterday and runs through Friday, is co-sponsored by more than seventy grassroots charter support organizations and is coordinated by the Charter Friends National Network.

Although a relatively new phenomenon, charter schools have been at the cutting edge of educational reform for the past several years.

In exchange for flexibility and freedom from regulations, charter schools are held accountable for improving the academic performance of their students. This newfound flexibility and freedom has not only translated into higher test scores, but also innovative practices. It has empowered parents with the ability to seek out the best education possible for their children.

In fact, we have done our best to mirror these same principles of freedom, flexibility and accountability throughout the Elementary and Secondary Education Act in H.R. 1, the No Child Left Behind Act of 2001, which we are marking up in committee tomorrow.

Currently, 36 states, the District of Columbia, and Puerto Rico have passed charter school laws and more than a half million students attend charter public schools nationwide. My hope is that one day, in the not so distant future, every state will have passed a charter school law.

That said, Mr. Speaker, I would like to congratulate all the students, parents, teachers, principals and administrators who have embraced the charter school movement. I would also like to thank Mr. TANCRED, Mr. KELLER, and Mr. ROEMER for their efforts in bringing this important resolution to the House floor.

Mr. PETRI. Mr. Speaker, I am pleased to speak in support of this resolution that recognizes the charter school movement for its contribution to improving our Nation's public school system.

I have been a strong supporter of the charter school movement since 1992 when former Representatives Penny and McCurdy and I introduced the Public School Redefinition Act of 1992. That bill was based on legislation introduced the year before by Senators Duren-

berger of Minnesota and LIEBERMAN of Connecticut. This was the very beginning of Congressional efforts to encourage charter schools.

I am happy to say that the bipartisan efforts of a handful of dedicated individuals resulted in the subsequent creation by Congress of a federal Public Charter Schools program in 1994.

Later, the Charter School Expansion Act of 1998 revised the Public Charter Schools statute by, among other things, increasing its authorization and giving priority for grants to states providing charter schools with financial autonomy.

The charter school movement, we should note, is a true grassroots movement. This movement was started in the early 1990s by concerned parents and frustrated teachers who were tired of the status quo, tired of fighting the bureaucracy that smothers innovation, and tired of seeing their children sink into mediocrity and failure.

It is therefore important to keep in mind that Congress should try to avoid imposing federally prescribed requirements such as teacher certification.

According to the Charter Friends National Network, "More than two-thirds of the states—with more than 80% of the charters—currently have some degree of flexibility in allowing use of teacher qualifications other than traditional certification." Any attempt to apply a teacher certification mandate to charter schools would jeopardize their very nature, which is based on autonomy in exchange for academic achievement.

In my state of Wisconsin, I am proud to say that we have a strong charter school and school choice program—especially in the city of Milwaukee where we have the support of education-reform minded individuals such as former school superintendent Howard Fuller and Mayor John Norquist.

Mr. Speaker, the bottom line is that charter schools work. They work because they are freed from burdensome regulations, and in return, they are held accountable for academic results.

I want to commend the gentleman from Colorado, Representative TANCRED, for introducing this resolution. I appreciate the opportunity to speak in support of this measure, and I urge my colleagues to support and promote a National Charter Schools Week.

Mr. KIND. Mr. Speaker, I rise today in support and recognition of Charter schools. Charter schools, which are public schools authorized by a designated public body, were established with the goal to enhance school organization and instruction. Charter schools operate on the principles of accountability, parent flexibility, choice, and autonomy.

Charter schools provide an invaluable means of improving student achievement for all who are enrolled in them. Charter public schools are held to highest standards and act as a vehicle for stimulating positive change and improvement in all public schools. As a member of the House Education and Workforce Committee, I am committed to fighting for improvement in our Nation's education system and charter schools have the ability to enhance the quality of education for all public school students.

There are 36 States, along with the District of Columbia, and the Commonwealth of Puerto Rico that have passed laws authorizing

charter school. My home state of Wisconsin currently supports 95 charter schools, educating 7,210 students. There are over 550,000 students enrolled in 2,150 charter schools nationwide. Not only is education a top priority, but it is the key to a successful future. These schools are providing an excellent education for the American youth.

Many charter schools serve significant numbers of students with lower income minority students, and students with disabilities. A charter school does not and cannot discriminate against any student. The contract for the schools is required to explain how the school will achieve a racial and ethnic balance among its pupils that reflects the school district population.

Charter schools have the unique ability and freedom of setting up their own governance and administrative structures. Many of the schools create decision-making boards that include some or all of a school's teachers, while others have parent-teacher committees to address various school needs. Some schools have students playing a vital role in their governing bodies.

Over the years, charter schools have received significant bipartisan support from the Administration, the Congress, State governors and legislators, educators, and parents throughout the Nation because the schools have been effectively educating their students. A good education is invaluable to any student and we have the responsibility to provide every child with the opportunity to learn. The Nation should take a week to honor the model education system set up by the charter schools.

Mr. COSTELLO. Mr. Speaker, I rise today in strong support of H. Con. Res. 95. I am proud to acknowledge and commend the charter school movement for its contribution to improving out nation's public school system. A charter education is a special and rigorous public education for more than 500,000 children nationwide. Charter schools serve a broad range of students, many of which better meet the needs of students than conventional schools. Charter schools exercise increased autonomy in return for increased accountability. They are accountable for both academic results and fiscal practices to their sponsors, their parents, and the public.

The charter schools in my district, Syzygy Charter School, Visional Academy Charter School, Tomorrow's Builders Charter School, and Fort Bowman Academy Charter School, increase opportunities for learning and access to quality education for all students, create choice for parents and students within the public school system, encourage innovative teaching practices, and encourage community and parent involvement in public education.

Mr. Speaker, it is important to establish a National Charter School Week. The charter schools in my district and nationwide demonstrate impressive levels of achievement and accomplishment, and I commend them for their continued dedication to serve. For these reasons, I support this legislation.

Mr. ROEMER. Mr. Speaker, I yield back the balance of my time.

Mr. KELLER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. LINDER). The question is on the motion offered by the gentleman from Florida

(Mr. KELLER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 95, as amended. The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds of those present have voted in the affirmative.

Mr. KELLER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this motion will be postponed.

#### REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1467

Mr. OTTER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1467.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Idaho?

There was no objection.

#### RECOGNIZING 100TH ANNIVERSARY OF 4-H PROGRAM

Mr. KELLER. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 112) recognizing the upcoming 100th anniversary of the 4-H Youth Development Program and commending such program for service to the youth of the world.

The Clerk read as follows:

#### H. RES. 112

Whereas the 4-H Youth Development Program celebrates its 100th anniversary in 2002;

Whereas the 4-H Youth Development program sponsors clubs in rural and urban areas throughout the world;

Whereas the 4-H Clubs have grown to over 5.6 million annual participants ranging from 5 to 19 years of age;

Whereas today's 4-H Clubs are very diverse, offering agricultural, career development, information technology, and general life skills programs; and

Whereas the 4-H Youth Development Program continues to make great contributions toward the development of well-rounded youth: Now, therefore, be it

*Resolved*, That the House of Representatives recognizes the upcoming 100th anniversary of the 4-H Youth Development Program and commends such program for service to the youth of the world.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Florida (Mr. KELLER) and the gentlewoman from Hawaii (Mrs. MINK) each will control 20 minutes.

The Chair recognizes the gentleman from Florida (Mr. KELLER).

#### GENERAL LEAVE

Mr. KELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H. Res. 112.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. KELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in strong support of H. Res. 112, which extends the recognition of this body to the 4-H Youth Development Program on the occasion of its 100th anniversary of its creation next year.

The 4-H is the original "learning by doing," and like all great ideas in education, it originated at the local level as the product of local educators and concerned citizens who saw a way to improve agricultural education.

4-H participants pledged their heads to clear thinking, their hearts to greater loyalty, their hands to greater service and their health to better living for their clubs, their communities, their country, and their world, not a bad code by which to live.

Even before Congress began supporting land-grant extension programs that took the agricultural advances of academia into working farms, 4-H understood the value of putting ideas into action.

□ 1545

It is at the heart of this organization.

From its roots in agricultural education, food preservation, and nature study, 4-H has spread to include training in a variety of areas, more than 110 areas, in fact. These areas include the arts, environmental education, communication, science and technology, and healthy life-style education. With new programs, 4-H has continued to help more and more young people learn skills to succeed later in life and become positive contributing leaders. Today, only 10 percent of participating youth live on farms. In fact, 30 percent are minorities. More than 6.5 million youth are members. Some of the well-known former 4-H members are Johnny Carson, Faith Hill, Reba McEntyre, and Dolly Parton.

The leadership skills 4-H members develop, the practical knowledge they accumulate in the programs they study, the friendships they build, and the experiences they have in competition and problem-solving make them better people and make our country a better place.

Earlier this year, my family and I had the happy privilege of visiting with several 4-H'ers at the Florida State Fair in Tampa and the Orange County Fair in Orlando, Florida. These young people had prepared several impressive agricultural exhibits, and they were also very knowledgeable about the cows and the pigs and other livestock they had raised. These 4-H members made quite a positive impression on my two young children.

In a changing world, I am very glad that 4-H has been there for America's young people and has continued to grow with them. 4-H helps to prepare them for the challenges they continue to face and help America to continue to be the place where the ideas and beliefs that made it great are still taught and practiced.

Congratulations 4-H on 100 years of success and service, and best wishes for 100 more.

Mr. Speaker, I reserve the balance of my time.

Mrs. MINK of Hawaii. Mr. Speaker, I yield myself such time as I may consume.

(Mrs. MINK of Hawaii asked and was given permission to revise and extend her remarks.)

Mrs. MINK of Hawaii. Mr. Speaker, I rise in very strong support of House Resolution 112, which recognizes the upcoming 100th anniversary of the 4-H Youth Development Program. I am very proud to be an original cosponsor of this legislation; and I would like to commend my colleague, the gentleman from Florida (Mr. FOLEY), for introducing this important recognition of a voluntary youth movement that has been highly successful in our country.

Too often, I think, many of us in Congress rely upon the initiative coming from governmental sources. We look for ways in which we can stimulate young people into doing productive work and innovative programs for self-improvement. But here is an example, where nearly 100 years ago, a group of individuals got together and decided that the young people could come together and determine the ways in which they might help themselves, and this is precisely the strength and the energy that the 4-H movement leaders had.

It is very exciting to know that over the years it has grown. As my colleague, the gentleman from Florida (Mr. KELLER), said, there are almost 7 million young people, ages 5 to 19, that participated in the 4-H programs in the year 2000; 1.6 million were members of 103,000 clubs; 2.5 million were members in a variety of special interest groups; 3.6 million were members of school enrichment programs. There were individual study groups, instructional programs, child care programs, and many opportunities for groups that went out camping and other types of excursions.

As my colleague said, initially this was supposed to be a farm or agriculturally centered program, but it has gradually moved in from the farms to our small towns and our communities. Today, well over half of the program is centered around small towns and cities throughout the country. Thirty percent of the participants are from minority racially-ethnic groups. An astounding statistic that I found was that 52 percent of the participants are girls and 48 percent boys. I am very encouraged by that. We have over 610,000 volunteers, adults and others over age 19, who are participating in this program and helping the 4-H movement to grow.

Many of us feel very honored each year to have the leaders of our 4-H clubs come to visit us in Washington. They come to participate in the wide variety of national programs, some elective, some not; and it is always a pleasure to see these young people and the energy that they bring to the work that they do.

Before I end my short part in this program this afternoon, I wanted to

tell my colleagues something about the 4-H movement in my own State. The first club was organized in 1918. It had 31 members and was on my own island of Maui, where I was born. It grew from there to have clubs in all of the islands, Oahu, the big island of Kauai. It was very much centered on the agricultural basis of farming and hog raising and cattle raising, and the contests and various kinds of agricultural activities. Today, the Hawaii 4-H organization has 24,000 participants throughout the whole island, and they engage in a wide variety of activities; not just farming, but citizenship, civic education, the arts, sciences, environmental education, and all the things that go to making up the totality of the human development.

So I stand today very proud to acknowledge the importance of the 4-H clubs and to join in celebrating the upcoming 100th birthday.

Mr. Speaker, I reserve the balance of my time.

Mr. KELLER. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. FOLEY), the sponsor of this important House resolution.

Mr. FOLEY. Mr. Speaker, I appreciate the leadership of the gentleman from Florida on the floor today on this very issue. And I want to take a moment before I begin my prepared remarks to commend my colleague, the gentlewoman from Hawaii (Mrs. MINK), for her wonderful homecoming for members of the Navy who flew back and first landed in Hawaii on their return to the United States from China. We are particularly honored by the way the gentlewoman put the presentation together, and we are delighted that they are on American soil again.

Mr. Speaker, I rise to speak on House Resolution 112, a resolution I introduced to recognize next year's 100th anniversary of the 4-H Youth Development Program, and commending the 4-H program for service to the youth of the world.

The 4-H program has grown over the years to include 6.6 million children. These 5- to 21-year-olds have benefited tremendously from 4-H's wealth of diverse programs: from agriculture, career development, information technology, to general life skills. These programs are offered in both rural and urban areas of the world.

The 4-H continues to make great contributions toward the development of well-rounded youth both in America and abroad. The program enables youth to have fun, meet new people, learn new life skills, build self-confidence, learn responsibility, and set and achieve goals. In fact, more than 45 million people worldwide are 4-H alumni, including my distinguished colleague, the gentleman from Idaho (Mr. OTTER), who told me just moments ago he will celebrate his 50th year of swearing in as a member of the 4-H Club.

The 4-H truly builds the leaders of tomorrow. In fact, their motto is "To

Make the Best Better." Our country benefits enormously from programs like 4-H. With the rising tide of teen suicide, drug use, and school violence, the 4-H gives our youth an avenue to excel and build self-esteem. One success story from a young 4-H'er in Georgia caught my eye. It is entitled, "4-H Brought Me to Life."

It goes on to say, "I was not popular at all. I had just moved and I felt like an outcast. One day a lady came. She was with 4-H. I really did not do anything with 4-H that year except camp. I then said I'm going to have fun and make this year the best of my life. It has been 3 years since. I'm now in the 8th grade. I have friends all over Georgia. 4-H brought me to life."

The gentlewoman from Hawaii mentioned several of the people who are former 4-H'ers that I think deserve notation, and I will read the list. And while I read the list, I will ask my colleagues to think with me, because I think one of the hallmarks of 4-H is that none of these people have been involved in any controversy. Seldom do we hear of a child that has been accused of a crime or another problem having 4-H on their resume. It obviously leads them on the right path, not the wrong path.

Listen to some of these famous names: Glen Campbell, Johnny Carson, Johnny Cash, John Denver, Janie Fricke, Faith Hill, Holly Hunter, Martina McBride, Reba McEntyre, Dolly Parton, Charlie Price, Charley Pride, Roy Rogers, Ricky Skaggs, Sissy Spacek, Aaron Tippin, and even my favorite, Orville Redenbacher, who brings us such great popcorn.

These are people that learned the basics of life from 4-H and why I am tremendously proud we are saluting them today on the House floor. Hopefully, it will not only give them the enthusiasm but the direction that not only do Members of Congress support them, but the Nation looks up to those in the 4-H movement, those that have brought the 4-H'ers to communities throughout our country.

I want to pay special tribute, because 100 years does not come often in anyone's life, nor the legacy of any organization. I am joined by many, many of my colleagues who have become cosponsors of this movement and of this resolution, and they are noted in the RECORD. I would like to thank John Hildreth, my legislative specialist, who was working on this as well with us.

Again, my salute to every hamlet in America, wherever there is a 4-H. And for children that may be listening, if you feel alone and you feel desperate, look to 4-H for leadership. Look to 4-H for guidance. Become a member of this great organization, and your life can turn around much like that of the girl from Georgia. I commend them to you, I commend them to your community, and I salute them.

Mrs. MINK of Hawaii. Mr. Speaker, I am delighted to yield 4 minutes to the gentlewoman from North Carolina

(Mrs. CLAYTON), who is currently the co-chair for the Rural Caucus, and has led us in so many areas that are important to rural America.

Mrs. CLAYTON. Mr. Speaker, I thank the gentlewoman for yielding me this time.

Mr. Speaker, I rise today in commendation of the upcoming 100th anniversary of the 4-H youth program. For almost a century, 4-H has been a constant beacon reminding us that we only receive from our communities as much as we put into them. The 4-H Youth Development Program has long recognized that leadership is not an innate quality, but rather that leadership is built one step, one person, one community at a time.

Rural America needs leaders today more than ever. I know I need not remind my colleagues of the crisis in rural America today. I would like to give my heartfelt thanks to 4-H for providing rural America with strong voices of leadership for almost 100 years. I would also like to urge 4-H to continue their very fine work. The fate of rural America may well rest in the next generation of leadership.

I regret the fact that this country does not have a policy for rural America. It needs one desperately. As this Congress considers ways in which to assist rural America, I think that we would be wise to look to the national 4-H for direction. In fact, 4-H has served rural America well and has expanded its services and its opportunities to urban youth, for which we congratulate and commend them.

The four components of 4-H, the head, the heart, the hand, and health, speak to our unstated obligation to survey the needs of rural America comprehensively, not in isolation from one another. In fact, the national 4-H statistics are very impressive. We have heard them already, but they are worth mentioning again. There are more than 6 million youth, from the ages of 5 to 19, who are involved in 4-H program. Over half of them are from urban areas. Indeed, only 10 percent of them are from farm programs. So, indeed, it has moved from its original program of serving farm youth to serving the youth of America, and we commend them for that.

More importantly, they provide leadership. They provide opportunity for development. They provide enrichment programs. They provide environmental studies. But, also, they provide leadership and training both for the youth and the adults who are involved in that.

□ 1600

The needs for rural America are many: historically low commodity prices, crumbling infrastructure, limited education opportunities, out-migration of youth, limited employment opportunities, lack of access to quality health care. Every one of these is, indeed, a serious problem in its own right, but only by seeing them to-

gether, as necessary pieces of a whole, do we see the complete picture.

We must address the entire fabric of farming communities across the country, including youth development, rather than just the single threads that bind it together.

The stakes are high. The livelihood of millions of farmers and the future of our youth in America and urban area are at stake. But I am heartened as we move forward, because standing alongside us is the national 4-H program, building leaders for rural and urban America.

I commend them on their upcoming birthday.

Mr. KELLER. Mr. Speaker, I yield 3 minutes to the gentleman from Idaho (Mr. OTTER).

Mr. OTTER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, nearly 50 years ago I raised my right hand and I said, "I pledge my head to clearer thinking, my heart to greater loyalty, my hands to larger service, my health to better living, for my club, my community, my country, and my world."

Mr. Speaker, some of my colleagues may argue that not all of that took as well as it might have, but I would argue for whatever benefit I did receive in taking that pledge, my life has been richly blessed and immensely improved by the process that goes on in 4-H.

The pledge of my head stands for the clear thinking that is required to be a 4-H'er. Not only that, but the decision-making process and the collection of knowledge, knowledge that one will use throughout their life.

In pledging greater loyalty from the heart, the 4-H'er promises to have greater loyalty to his fellow man and to his country, but also to himself and for those values that they themselves stand for.

To pledge their hands to larger service, in this day and age it is certainly needed by every citizen of this country.

Finally, to pledge their health, we all know the value of what good, healthy lifestyles can stand for in this country.

Mr. Speaker, I would like to associate myself with the remarks of my colleague, the gentleman from Florida (Mr. FOLEY), who spoke before me, because he covered much of the material that I had intended to. I would like to point out, in the nearly 7 million participants, as mentioned by the gentlewoman from Hawaii (Mrs. MINK), some 597,000 are involved in citizenship civic education programs, nearly 1 million in community expressive arts programs, a half a million in consumer family science, 1.3 million in environment and science programs. In Idaho, Mr. Speaker, 32,643 members in 3,743 clubs with 4,200 adults participate in the volunteer and leadership programs for 4-H.

Mr. Speaker, I join with my colleagues as a cosponsor in recognizing, as is long overdue, the 4-H Clubs of the United States of America that have stood for a long time for those words so aptly put by Chester Bernard when he

said that "to try and fail is at least to learn, but to fail to try is to suffer that estimable cost of what might have been." Mr. Speaker, 4-H knows what it is.

Mr. KELLER. Mr. Speaker, I yield 2 minutes to the gentlewoman from Virginia (Mrs. JO ANN DAVIS).

Mrs. JO ANN DAVIS of Virginia. Mr. Speaker, I rise today in support of House Resolution 112, recognizing the upcoming 100th anniversary of the 4-H Youth Development Program in 2002.

Mr. Speaker, as you have heard, the four H's stand for head, heart, hands and health; and the program gives children and youth the opportunity to gain responsibility through hands-on involvement in challenging projects. 4-H began as an agricultural education program for youth, and clubs were formed with adult volunteers to encourage learning by doing.

Mr. Speaker, I am personally familiar with 4-H as my youngest son spent most of his teen years in a 4-H club and showed quarter horses in local competitions and the State fair. The club developed his leadership skills and made him a more responsible and purposeful young man.

As we recognize 4-H, I want to commend the dedicated volunteers and county extension agents that have given countless hours of their time to help children and youth develop their skills and learn, while having fun, and to thank them for the good times my son has enjoyed, and to wish the organization another productive century of service.

Mr. KELLER. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding me this time.

I rise, as my colleagues have, to recognize the upcoming anniversary of the dynamic 4-H Youth Development Program. I congratulate the gentleman from Florida (Mr. FOLEY) for introducing H. Res. 112.

For a century the 4-H club has offered a wide range of projects and activities for the purpose of building the leaders of tomorrow. I am fortunate enough to represent the congressional district with not only local branches of the 4-H club, but also the headquarters of the 4-H Youth Development Program at the National Conference Center in Chevy Chase, Maryland.

In my district, Montgomery County, the 4-H club reaches over 8,000 youth annually with such innovative programs as Adventures in Science. During the early 1970s, Ralph R. Nash began this hands-on science education activity in his basement in Gaithersburg, Maryland, in order to provide science adventures for his daughter. Over the years, AIS has introduced the fun of science to hundreds of children. AIS now meets at five sites in Montgomery County, and additional programs have been initiated at several other sites in the country, based on the



same philosophy and a similar format. Since the early 1990s, the Montgomery County 4-H program has provided an administrative framework for AIS, using 4-H Maryland Cooperative Extension volunteers as site managers.

The Adventures in Science goal is to present science as an exciting activity and a way of thinking about the world, rather than as a compendium of facts. The topics presented reflect the interests of children and the volunteers, rather than any prescribed curriculum. The 4-H method of "learning by doing" facilitates not only the education process but also encourages teamwork and develops conflict resolution skills.

The Adventures in Science program, in addition to the various annual activities at the Montgomery County Agricultural Fairgrounds, instills a spirit of community and volunteerism into the area's youth. It is this spirit that enables the 4-H Youth Development Program to fulfill the lofty ambition of their motto, "to make the best better."

I was very impressed that Mr. OTTER earlier gave the 4-H pledge, "I pledge my head to clearer thinking, my heart to greater loyalty, my hands to larger service, my health to better living, for my club, my community, my country, and my world."

Mr. KELLER. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. LATHAM).

Mr. LATHAM. Mr. Speaker, I thank the gentleman from Florida for yielding me this time.

As someone who was in 4-H for 9 years and learned a great deal from my activities there, and everybody thinks about 4-H as how to have a project for raising livestock or grains, that type of project, the things that helped me the most in 4-H, we had Carl Rayder, our extension director, used to have special classes for us out in the country and teach us about etiquette: How to eat at a table, how to dress. We had fashion shows. There are a lot of different things that 4-H did in rural America that really helped us along in life.

Mr. Speaker, probably the most important thing is the leadership that was taught in 4-H and the opportunity for a young farm kid to be a leader in his 4-H club locally, county-wide, and move on to State offices, things like that were very, very important and meant a great deal to us in 4-H.

I am also extremely proud that Clarion, Iowa, which is in my district, is the home of the 4-H emblem; the four-leaf clover with the four H's, one H on each leaf of the clover, obviously, is a sign that is known by everyone as representing the 4-H itself.

Mr. Speaker, 4-H has been a very, very positive experience for young people for 100 years now. I want to congratulate them. I do not have to read the 4-H motto. "I pledge my head to clearer thinking, my heart to greater loyalty, my hands to larger service, my health to better living, for my club, my community, my country, and my

world." And it means a great deal to a lot of young Americans that we can still do that pledge.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise in support of H. Res. 112 in honor of the millions of young people who participate in the 4-H program.

Mr. Speaker, this resolution recognizes the 100th anniversary of the 4-H Youth Development Program and commends the program for its service to the youth of the world. With over 6.8 million members, the program is a stellar example of what is best and most successful in selfless community and national service.

Mr. Speaker, at a time in our history when we are so often consumed by what is wrong with our youth culture, I am delighted to take this occasion to honor many of our Nation's young people who, each and every day, work to give back to their communities in positive ways through public service, education, and leadership.

"To make the best better." That is the 4-H motto, and it rings true. The 4-H pledge states: "I pledge my head to clear thinking; my heart to greater loyalty; my hands to larger service; my health to better living; for my club, my community, my country, and my world." Mr. Speaker, these are good and inspiring words to live by.

4-H provides our Nation's youth with the kinds of support, and positive life-experience challenges that are so important in their development into responsible and active members of our community. 4-H is committed to nurturing our youth so that they may reach their fullest potential by building self-confidence, teaching responsibility, and by setting and attaining personal goals.

With focus programs ranging from Workforce Preparation; Environmental Stewardship; Health, Wellness and Safety; Community Development; and Youth Changing Their Community, 4-H operates through fairs, shows, camps, state youth gatherings, a national congress, a national conference, a collegiate program, and through an international youth exchange.

4-H is committed to bringing children and adults together through community service by creating bonds that last a lifetime. This makes 4-H a unique and truly inspiring example of what is best in our community and national service. These young people, their parents and sponsors do a great job, and they deserve our thanks and our applause.

Mr. KIND. Mr. Speaker, I am honored to have the opportunity to recognize and commend the 4-H Youth Development Program. Today marks the organization's 100th anniversary and it is important for Congress to take the time to recognize this outstanding program.

The 4-H is a dynamic group whose mission is to foster innovation and shared learning of America's youth, ages 6 to 19. Its vision is to draw upon combined power of youth and adults so that we can learn together in order to address the challenges and opportunities critical to youth in our communities. The 4-H is uniquely established to provide opportunity to young people nationwide to learn valuable life skills, work with others toward common goals, and develop into community leaders.

4-H stresses three fundamental values: First, Mr. Speaker, we must treat others with mutual trust and respect and open and honest communication. Second, we must assume

personal leadership and responsibility for our actions. And third, we must celebrate our differences as well as our similarities, and always realize that working with youth as partners is the key to our success.

Over 5.6 million young people are involved in the 4-H clubs, dedicating time and effort to the betterment of their communities and their country. In fact, volunteerism among America's youth has increased over the years, indicating that these fine young people have a sincere interest in helping fellow Americans.

On the 100th anniversary of the 4-H club, I am honored to have the opportunity to commemorate the group because I am a former 4-H member myself. Growing up in Wisconsin, I loved and appreciated the time that I spent within my 4-H club. In fact, two of my staffers here in Washington were also 4-H members in their youth. The 4-H Clubs extend their invaluable services throughout the United States and have personally touched many of our lives.

Mr. Speaker, in closing, I am delighted to speak here today to honor and commemorate the 4-H Youth Development Program and its contributions to American communities for the past century. By pledging their heads to clearer thinking, their hearts to greater loyalty, their hands to larger service, and their health to better living, our young people—along with the adult volunteers who teach and help them—are working to strengthen the clubs, their communities, and their country.

Mr. PUTNAM. Mr. Speaker, in 2002, the 4-H movement celebrates its centennial as one of America's premier youth development organizations. Reflecting its historic vision, Congress is commemorating this event that has brought together our nation's youth, youth leaders, and communities for over a century and created youth development strategies for the future.

No other youth organization spans the nation like the 4-H movement, traveling the most remote roads of rural America and the most diverse streets of our large cities. 4-H is uniquely poised to bring together youth through collaboration, engagement, and a commitment to civic responsibility to build a nation of strong communities. 4-H is in every county in every state, in every U.S. territory and the District of Columbia and 3,067 countries around the world.

The 4-H mission is to create supportive environments for diverse youth and adults to reach their fullest potential. The 100 year-old program has molded itself to meet the needs of our citizens by focusing on developing rural, suburban and urban youth and teaching youth utilizing the research and knowledge base of our state's land grant institutions. 4-H has broadened its program areas to encompass not only agriculture and animal science, but also public speaking, computers, wildlife, forestry and many other topics of interest to today's youth.

Through "learning by doing" experiences, young people in the 4-H program are educated through hands-on instruction about the world around them with the guidance of over 600,000 volunteer leaders and cooperative extension service faculty who invest time, talent, and trust in our youth.

The 4-H program enables young people to grow up and become participating citizens and defenders of democracy through outstanding and exemplary programs such as the 4-H legislatures and the citizenship project. The 4-H

program serves 6.8 million youth across America through 4-H clubs, special interest groups, camping and school enrichment educational programs. 4-H young people devote thousands of hours in service to their communities annually through programs such as "4-Hers Helping the Hungry" and other service activities that benefit the people of our nation.

In the coming century, 4-H is posed to provide a national curriculum for youth development professionals reflecting tools and strategies that yield the most successful outcomes. By its call to excellence epitomized in its motto "to make the best better," 4-H is inspiring today's young people to strive for their dreams and not settle for anything less than their best effort. Congress recognizes these accomplishments through this resolution celebrating the centennial anniversary of 4-H programs for America's youth.

Mr. STENHOLM. Mr. Speaker, as the 4-H program prepares to celebrate its 100th anniversary as a national organization, I rise today to honor them and to congratulate the individuals who have made this program a tremendous national success. Let me also add that 4-H has also passed another significant milestone in my own home state of Texas: For the first time in its history, over one million young people are enrolled in the various Texas 4-H programs.

Young people are the future leaders of our country and the lessons they learn in 4-H programs, in any state or U.S. territory, help them to be responsible, energetic, and committed individuals who make an important contribution to our nation.

I commend 4-H for the positive impact it has on cultivating the head, heart, hands, and health of our young people. The positive educational experiences 4-H affords young people allows them to imagine unlimited possibilities and to take them in new and exciting directions.

I would also like to recognize the efforts of 4-H adult volunteers; it is their continuing efforts that allow this great organization to grow. 4-H leaders say they work to make the best better. For almost 100 years they have done just that, and our country is clearly the better for it.

Mr. UNDERWOOD. Mr. Speaker, I rise today to support H. Res. 112, recognizing the upcoming 100th anniversary of the 4-H Youth Development Program and commending such program for service to the youth of the world. I would especially like to extend a heartfelt congratulations to the members of the Guam 4-H Club on their twenty-seven years of community activism and commitment to our youth.

The 4-H started as an idea that generated in the United States and developed according to the needs of our communities. For most of the nineteenth century, rural America set the tone for the country. However, things changed at the turn of the century and jobs in the larger cities enticed the youth of rural America and many moved in search of economic prosperity.

These rural communities were faced with the potential loss of children leaving to the larger cities. With these concerns to educate the children of rural America and the advances in agricultural technology came the 4-H idea of practical and applied educational principles in the public schools of country life. In 1862, the Morrill Act created the land grant university system. These land grant institutions were dedicated to the general education and improvement of agricultural and mechanical arts in the education of rural children. In addition,

as part of the land grant system, experimental stations were established in agricultural production and technology. Although the farming community did not readily accept these new ideas and concepts, concerned citizens, school teachers, agricultural scientists scattered the seeds that started the roots of the 4-H. By 1902, the club concept was adopted and hence the forming of a club for boys and girls promoting vocational agriculture in rural schools through the land grant system. By 1914 the Cooperative Extension System was enacted with the passage of the Smith-Lever Act. This was a unique partnership created by Congress to establish national educational network designed to meet the need for research, knowledge and educational programs. Local leaders were now involved and as a part of the program base for the cooperative extension programs the concept of 4-H expanded beyond agricultural vocation.

During its first 80 years, 4-H grew from an organization primarily concerned with improving agricultural production and food preservation to one dedicated to total youth development. It has become an integral part of the Land-Grant University and the Cooperative Extension Service Systems and is one of the nation's most diverse organizations that has now come to include people from every economic, racial, social, political and geographic category. More than 6.8 million youth annually participate in 4-H programs. These programs are conducted via the Cooperative Extension System in 3,067 counties in the United States, the District of Columbia, the Commonwealth of Puerto Rico and in my home district of Guam. The 4-H has followed the needs of the nation's youth from rural America to our urban and suburban communities, and even further into our U.S. Territories. The participation of young people in developing and governing 4-H has been key to its continuing success.

In 1972 the University of Guam was awarded land grant status and by 1974 the College of Agriculture and Life Sciences (CALS) was established. With the establishment of CALS, 4-H youth development on Guam was officially sanctioned and is today 27 years old. 4-H has served its members in Guam and other Pacific Island areas. Through public and private partnerships, the 4-H club has afforded many of our island youth the opportunity to engage in activities that hold their personal interest, while being guided by adult volunteers. Youth development professionals employed by the Cooperative Extension System with the University of Guam provide direction and leadership and centers on the personal growth of the 4-H member. Through projects, activities and events sponsored by the extension program, our 4-H youth members build life skills they can use for the rest of their lives. Because of their experiences with 4-H, our youth become contributing, productive, self-directed members of a forward moving society. Experiences are built around life skills that center on positive self esteem, communication and decision making. Citizenship, leadership, learning how to learn, and the ability to cope with change are also important life building skills learned through their activities. Two of my children, Sophia and Roberto, now grown adults in their 30's, participate in 4-H activities in Guam. I can't help but think that their maturation was assisted by their experience.

I can think of no greater tribute to the 4-H program than by recognizing its 100th Anniversary of community activism, and its positive youth development through its partnerships and programs.

Mr. HOBSON. Mr. Speaker, I rise in support of H. Res. 112, and recognize the accomplishment of the 4-H Youth Development Program.

In 1902, in Clark County, Ohio, which is my home and part of Ohio's 7th Congressional District, Mr. Albert Belmont Graham held the first meeting of what eventually become known throughout the nation as 4-H. The four H's are head, heart, hands and health; all of which should be used to serve your community, country, and world. The purpose of Mr. Graham's initial meeting was to instruct the county youth on the best methods of harvesting corn, testing soil samples, planting a garden, and identifying natural wildlife.

Soon, The Ohio State University's College of Agriculture became interested in Mr. Graham's meetings, and assisted him in setting up more of these "agricultural clubs" across the State of Ohio. Since that time, 4-H has expanded to all fifty states, internationally to more than 80 countries, and 45 million people now are 4-H alumni. The original curriculum has been expanded to include health, family life, photography, and more than 200 subject areas. The 4-H community not only includes those with agricultural backgrounds, but has broadened to reach the youths of the inner-cities and suburbs.

Every summer when I tour the county fairs in my district and see young men and women showcasing their talents, I am reminded of the vision of Albert Belmont Graham and his 4-H program, which continues to provide lasting educational, cultural, and social benefits to young people across America and throughout the world.

Mrs. MINK of Hawaii. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. KELLER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the motion offered by the gentleman from Florida (Mr. KELLER) that the House suspend the rules and agree to the resolution, H.Res. 112.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution was agreed to.

A motion to reconsider was laid on the table.

#### COMMUNICATION FROM HON. RICHARD A. GEPHARDT, DEMOCRATIC LEADER

The SPEAKER pro tempore laid before the House the following communication from RICHARD A. GEPHARDT, Democratic Leader.

HOUSE OF REPRESENTATIVES,  
OFFICE OF THE DEMOCRATIC LEADER,

Washington, DC, May 1, 2001.

Hon. J. DENNIS HASTERT,  
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to section 44 U.S.C. 2702, I hereby reappoint the following individual to the Advisory Committee on the Records of Congress:

Dr. Joseph Cooper of Baltimore, MD

Yours very truly,

RICHARD A. GEPHARDT.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until approximately 6 p.m. today.

Accordingly (at 4 o'clock and 13 minutes p.m.), the House stood in recess until approximately 6 p.m.

□ 1800

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. ISAKSON) at 6 p.m.

## APPOINTMENT OF MEMBERS TO JOINT ECONOMIC COMMITTEE

The SPEAKER pro tempore. Without objection, and pursuant to 15 U.S.C. 1024(a), the Chair announces the Speaker's appointment of the following Members of the House to the Joint Economic Committee:

Mr. RYAN of Wisconsin;  
Mr. SMITH of Texas;  
Ms. DUNN of Washington;  
Mr. ENGLISH of Pennsylvania;  
Mr. PUTNAM of Florida;  
Mr. STARK of California;  
Mrs. MALONEY of New York; and  
Mr. WATT of North Carolina.  
There was no objection.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will now put the question on each motion to suspend the rules on which further proceedings were postponed from earlier today in the order in which that motion was entertained.

Votes will be taken in the following order:

House Concurrent Resolution 91, by the yeas and nays;

House Concurrent Resolution 95, by the yeas and nays.

The Chair will reduce to 5 minutes the time for the second vote in this series.

## RECOGNIZING THE IMPORTANCE OF INCREASING AUTISM AWARENESS

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the concurrent resolution, H. Con. Res. 91.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Pennsylvania (Mr. GREENWOOD) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 91, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 418, nays 1, not voting 12, as follows:

[Roll No. 90]

## YEAS—418

Abercrombie	Deutsch	Johnson, Sam
Ackerman	Diaz-Balart	Jones (NC)
Aderholt	Dicks	Jones (OH)
Akin	Dingell	Kanjorski
Allen	Doggett	Kaptur
Andrews	Dooley	Keller
Armey	Doolittle	Kelly
Baca	Doyle	Kennedy (MN)
Bachus	Dreier	Kennedy (RI)
Baird	Duncan	Kerns
Baker	Dunn	Kildee
Baldacci	Edwards	Kilpatrick
Baldwin	Ehlers	Kind (WI)
Ballenger	Ehrlich	King (NY)
Barcia	Emerson	Kingston
Barr	Engel	Kirk
Barrett	English	Kleczka
Bartlett	Eshoo	Knollenberg
Barton	Etheridge	Kolbe
Bass	Evans	Kucinich
Becerra	Everett	LaFalce
Bentsen	Farr	LaHood
Bereuter	Fattah	Lampson
Berkley	Ferguson	Langevin
Berman	Filner	Lantos
Berry	Flake	Largent
Biggert	Fletcher	Larsen (WA)
Bilirakis	Foley	Larson (CT)
Bishop	Ford	Latham
Blagojevich	Fossella	LaTourette
Blumenauer	Frank	Leach
Blunt	Frelinghuysen	Lee
Boehlert	Frost	Levin
Boehner	Gallegly	Lewis (CA)
Bonilla	Gekas	Lewis (GA)
Bonior	Gephardt	Lewis (KY)
Bono	Gibbons	Linder
Borski	Gilchrest	Lipinski
Boswell	Gillmor	LoBiondo
Boucher	Gilman	Lofgren
Boyd	Gonzalez	Lowey
Brady (PA)	Goode	Lucas (KY)
Brady (TX)	Goodlatte	Lucas (OK)
Brown (FL)	Gordon	Luther
Brown (OH)	Goss	Maloney (CT)
Brown (SC)	Graham	Maloney (NY)
Bryant	Granger	Manzullo
Burr	Graves	Markey
Burton	Green (TX)	Mascara
Callahan	Green (WI)	Matheson
Calvert	Greenwood	Matsui
Camp	Grucci	McCarthy (MO)
Cannon	Gutknecht	McCarthy (NY)
Cantor	Hall (OH)	McCollum
Capito	Hall (TX)	McCrery
Capps	Hansen	McDermott
Capuano	Harman	McGovern
Cardin	Hart	McHugh
Carson (IN)	Hastings (FL)	McInnis
Carson (OK)	Hastings (WA)	McIntyre
Castle	Hayes	McKeon
Chabot	Hayworth	McKinney
Chambliss	Hefley	McNulty
Clay	Herger	Meehan
Clayton	Hill	Meek (FL)
Clement	Hilleary	Meeks (NY)
Clyburn	Hilliard	Menendez
Coble	Hinchey	Mica
Collins	Hinojosa	Miller (FL)
Combest	Hoeffel	Miller, Gary
Condit	Hoekstra	Miller, George
Conyers	Holden	Mink
Cooksey	Holt	Mollohan
Costello	Honda	Moore
Cox	Hooley	Moran (KS)
Coyne	Horn	Moran (VA)
Cramer	Hostettler	Morella
Crane	Houghton	Murtha
Crenshaw	Hoyer	Myrick
Crowley	Hulshof	Nadler
Cubin	Hunter	Napolitano
Culberson	Hutchinson	Neal
Cummings	Hyde	Nethercutt
Cunningham	Inslee	Ney
Davis (CA)	Isakson	Northup
Davis (FL)	Israel	Norwood
Davis (IL)	Issa	Nussle
Davis, Jo Ann	Istook	Oberstar
Davis, Tom	Jackson (IL)	Obey
Deal	Jackson-Lee	Olver
DeFazio	(TX)	Ortiz
DeGette	Jefferson	Osborne
DeLaunt	Jenkins	Ose
DeLauro	Johnson (CT)	Otter
DeLay	Johnson (IL)	Owens
DeMint	Johnson, E. B.	Oxley

Pallone	Sanchez	Tauzin
Pascarell	Sanders	Taylor (MS)
Pastor	Sandin	Taylor (NC)
Payne	Sawyer	Terry
Pelosi	Saxton	Thomas
Pence	Scarborough	Thompson (CA)
Peterson (MN)	Schaffer	Thompson (MS)
Peterson (PA)	Schakowsky	Thornberry
Petri	Schiff	Thune
Phelps	Schrock	Thurman
Pickering	Scott	Tiahrt
Pitts	Sensenbrenner	Tiberi
Platts	Sessions	Tierney
Pombo	Shadegg	Toomey
Pomeroy	Shaw	Towns
Portman	Shays	Trafficant
Price (NC)	Sherman	Turner
Pryce (OH)	Sherwood	Udall (CO)
Putnam	Shimkus	Udall (NM)
Quinn	Shows	Upton
Radanovich	Simmons	Velazquez
Rahall	Simpson	Visclosky
Ramstad	Skeen	Vitter
Rangel	Skelton	Walden
Regula	Slaughter	Walsh
Rehberg	Smith (MI)	Wamp
Reyes	Smith (NJ)	Waters
Reynolds	Smith (TX)	Watkins
Riley	Snyder	Watt (NC)
Rivers	Solis	Watts (OK)
Rodriguez	Souder	Waxman
Roemer	Spence	Weldon (FL)
Rogers (KY)	Spratt	Weldon (PA)
Rogers (MI)	Stark	Weller
Rohrabacher	Stearns	Wexler
Ros-Lehtinen	Stenholm	Whitfield
Ross	Strickland	Wicker
Roukema	Stump	Wilson
Roybal-Allard	Stupak	Wolf
Royce	Sununu	Woolsey
Rush	Sweeney	Wu
Ryan (WI)	Tancred	Wynn
Ryun (KS)	Tanner	Young (AK)
Sabo	Tauscher	

## NAYS—1

Paul

## NOT VOTING—12

Buyer	Millender-	Smith (WA)
Ganske	McDonald	Weiner
Gutierrez	Moakley	Young (FL)
Hobson	Rothman	
John	Serrano	

□ 1825

Mr. MEEKS of New York and Mr. SHERWOOD changed their vote from "nay" to "yea."

So (two-thirds having voted in favor thereof), the rules were suspended and the concurrent resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. ISAKSON). Pursuant to the provisions of clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for electronic voting on the additional motion to suspend the rules on which the Chair has postponed further proceedings.

## SUPPORTING A NATIONAL CHARTER SCHOOLS WEEK

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the

concurrent resolution, H. Con. Res. 95, as amended.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. KELLER) that the House suspend the rules and agree to the concurrent resolution, H. Con. Res. 95, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 404, nays 6, answered “present” 7, not voting 14, as follows:

[Roll No. 91]

YEAS—404

Abercrombie	Culberson	Hayes
Aderholt	Cummings	Hayworth
Akin	Cunningham	Hefley
Andrews	Davis (CA)	Heger
Army	Davis (FL)	Hill
Baca	Davis (IL)	Hilleary
Bachus	Davis, Jo Ann	Hinchee
Baird	Davis, Tom	Hinojosa
Baker	Deal	Hoeffel
Baldacci	DeFazio	Hoekstra
Baldwin	DeGette	Holden
Ballenger	Delahunt	Holt
Barcia	DeLauro	Honda
Barr	DeLay	Hooley
Barrett	DeMint	Horn
Bartlett	Deutsch	Hostettler
Barton	Diaz-Balart	Houghton
Bass	Dicks	Hoyer
Becerra	Dingell	Hulshof
Bentsen	Doggett	Hunter
Bereuter	Dooley	Hutchinson
Berman	Doolittle	Hyde
Berry	Doyle	Inslee
Biggert	Dreier	Isakson
Bilirakis	Duncan	Israel
Bishop	Dunn	Issa
Blagojevich	Edwards	Istook
Blumenauer	Ehlers	Jackson (IL)
Blunt	Ehrlich	Jackson-Lee
Boehlert	Emerson	(TX)
Boehner	Engel	Jefferson
Bonilla	English	Jenkins
Bono	Eshoo	Johnson (CT)
Borski	Etheridge	Johnson (IL)
Boswell	Evans	Johnson, Sam
Boucher	Everett	Jones (NC)
Boyd	Farr	Kanjorski
Brady (PA)	Fattah	Kaptur
Brady (TX)	Ferguson	Keller
Brown (FL)	Filner	Kelly
Brown (OH)	Flake	Kennedy (MN)
Brown (SC)	Fletcher	Kennedy (RI)
Bryant	Foley	Kerns
Burr	Ford	Kildee
Burton	Fossella	Kilpatrick
Callahan	Frank	Kind (WI)
Calvert	Frelinghuysen	King (NY)
Camp	Frost	Kingston
Cannon	Gallely	Kirk
Cantor	Gekas	Kleczka
Capito	Gephardt	Knollenberg
Capps	Gibbons	Kolbe
Cardin	Gilchrest	LaFalce
Carson (IN)	Gillmor	LaHood
Carson (OK)	Gilman	Lampson
Castle	Gonzalez	Langevin
Chabot	Goode	Lantos
Chambliss	Goodlatte	Largent
Clay	Gordon	Larsen (WA)
Clayton	Goss	Larson (CT)
Clement	Graham	Latham
Clyburn	Granger	LaTourette
Coble	Graves	Leach
Collins	Green (TX)	Levin
Combest	Green (WI)	Lewis (CA)
Condit	Greenwood	Lewis (GA)
Conyers	Grucci	Lewis (KY)
Cooksey	Gutknecht	Linder
Costello	Hall (OH)	Lipinski
Cox	Hall (TX)	LoBiondo
Coyne	Hansen	Lofgren
Cramer	Harman	Lowe
Crane	Hart	Lucas (KY)
Crenshaw	Hastings (FL)	Lucas (OK)
Cubin	Hastings (WA)	Luther

Maloney (CT)	Petri	Smith (MI)
Maloney (NY)	Phelps	Smith (NJ)
Manzullo	Pickering	Smith (TX)
Markey	Pitts	Snyder
Mascara	Platts	Solis
Matheson	Pombo	Souder
Matsui	Pomeroy	Spence
McCarthy (MO)	Portman	Spratt
McCarthy (NY)	Price (NC)	Stark
McCollum	Pryce (OH)	Stearns
McCrery	Putnam	Stenholm
McDermott	Quinn	Strickland
McGovern	Radanovich	Stump
McHugh	Rahall	Stupak
McInnis	Ramstad	Sununu
McIntyre	Rangel	Sweeney
McKeon	Regula	Tancredo
McKinney	Rehberg	Tanner
McNulty	Reyes	Tauscher
Meehan	Reynolds	Tauzin
Meek (FL)	Riley	Taylor (MS)
Meeks (NY)	Rodriguez	Taylor (NC)
Menendez	Roemer	Terry
Mica	Rogers (KY)	Thomas
Miller (FL)	Rogers (MI)	Thompson (CA)
Miller, Gary	Rohrabacher	Thompson (MS)
Miller, George	Ros-Lehtinen	Thornberry
Mink	Ross	Thune
Mollohan	Roukema	Thurman
Moore	Roybal-Allard	Tiahrt
Moran (KS)	Royce	Tiberi
Moran (VA)	Rush	Toomey
Morella	Ryan (WI)	Towns
Murtha	Ryun (KS)	Trafficant
Myrick	Sabo	Turner
Nadler	Sanchez	Udall (CO)
Napolitano	Sanders	Udall (NM)
Neal	Sandlin	Upton
Nethercutt	Sawyer	Velazquez
Ney	Saxton	Visclosky
Northup	Scarborough	Vitter
Norwood	Schaffer	Walden
Nussle	Schakowsky	Walsh
Oberstar	Schiff	Wamp
Obey	Schrock	Watkins
Oliver	Scott	Watt (NC)
Ortiz	Sensenbrenner	Watts (OK)
Osborne	Sessions	Waxman
Ose	Shadegg	Weldon (FL)
Otter	Shaw	Weldon (PA)
Oxley	Shays	Weller
Pallone	Sherman	Wexler
Pascarell	Sherwood	Whitfield
Pastor	Shimkus	Wicker
Paul	Shows	Wilson
Payne	Simmons	Wolf
Pelosi	Simpson	Woolsey
Pence	Skeen	Wu
Peterson (MN)	Skelton	Wynn
Peterson (PA)	Slaughter	Young (AK)

NAYS—6

Ackerman	Crowley	Tierney
Capuano	Hilliard	Waters

ANSWERED “PRESENT”—7

Bonior	Kucinich	Rivers
Johnson, E. B.	Lee	
Jones (OH)	Owens	

NOT VOTING—14

Allen	Hobson	Rothman
Berkley	John	Serrano
Buyer	Millender-	Smith (WA)
Ganske	McDonald	Weiner
Gutierrez	Moakley	Young (FL)

□ 1835

So (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. HOBSON. Mr. Speaker, on rollcall No. 91, I was unavoidably detained. Had I been present, I would have voted “yea.”

#### PERSONAL EXPLANATION

Ms. MILLENDER-MCDONALD. Mr. Speaker, on rollcall Nos. 90 and 91, due to delay of the

plane coming in from Los Angeles to Dulles, I missed the votes. Had I been present, I would have voted “yea.” on both.

#### PERSONAL EXPLANATION

Mr. RANGEL. Mr. Speaker, on April 26 I inadvertently voted “yea” on final passage of H.R. 503, the Unborn Victims of Violence Act, when it was my strong intent to vote “no” on the bill. I feel that the best way to protect the fetus is to better protect the woman, and because this legislation fails to address the need for legislation to prevent and punish violence against women, I would not support this or any other similar bill.

#### REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 10, COMPREHENSIVE RETIREMENT SECURITY AND PENSION REFORM ACT OF 2001

Mr. Reynolds, from the Committee on Rules, submitted a privileged report (Rept. No. 107-53) on the resolution (H. Res. 127) providing for consideration of the bill (H.R. 10) to provide for pension reform, and for other purposes, which was referred to the House Calendar and ordered to be printed.

#### EXPRESSING SYMPATHY TO FAMILY, FRIENDS, AND COWORKERS OF VERONICA “RONI” BOWERS AND CHARITY BOWERS

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that the Committee on International Relations be discharged from further consideration of the concurrent resolution (H. Con. Res. 117) expressing sympathy to the family, friends, and coworkers of Veronica “Roni” Bowers and Charity Bowers, and ask for its immediate consideration in the House.

The Clerk read the title of the concurrent resolution.

The SPEAKER pro tempore (Mr. Isakson). Is there objection to the request of the gentleman from North Carolina?

Mr. HOEKSTRA. Mr. Speaker, reserving the right to object, and I shall not object, will the gentleman please explain the purpose of the resolution.

Mr. BALLENGER. Mr. Speaker, will the gentleman yield?

Mr. HOEKSTRA. I yield to the gentleman from North Carolina.

Mr. BALLENGER. Mr. Speaker, on April 20, 2001, a Peruvian fighter jet mistakenly shot down a small seaplane carrying Baptist missionaries from Muskegon, Michigan, over the jungles of Peru. Believing that the small plane was engaged in drug trafficking, the Peruvian pilot attacked this small aircraft, killing two of its passengers, a mother and her infant daughter, and severely wounding the pilot.

As you may know, Roni Bowers, her husband James, their 6-year-old son Cory and 7-month-old adopted daughter Charity were flying aboard the seaplane when it was intercepted and attacked by the Peruvian fighter.

The aircraft, owned by the Association of Baptists for World Evangelism, was en route to Iquitos, Peru to acquire visa documents for newly adopted Charity. Although severely wounded in the attack, pilot Kevin Donaldson was able to land the plane safely. Unfortunately, Mr. Speaker, Roni and Charity Bowers were killed in the burst of gunfire. James and Cory Bowers escaped serious injury in the incident. An investigation into this matter is now underway.

H. Con. Res. 117 expresses Congress' deepest and most heartfelt sympathy to James and Cory Bowers, their extended family, and to their friends and fellow missionaries. It commends wounded pilot Kevin Donaldson for his bravery and skill in safely landing his crippled aircraft and wishes him a speedy recovery. Finally, it calls on the Governments of the United States and Peru to undertake a cooperative and thorough investigation into this incident to ensure that similar incidents will be avoided in the future.

I want to commend my colleague from Michigan, Mr. HOEKSTRA, for this timely and important resolution and I join him in extending my personal condolences to the Bowers family. I urge my colleagues to support this passage.

Mr. HOEKSTRA. Mr. Speaker, continuing my reservation, let me just share a few facts about the tragedy on April 20.

James and Veronica, also known as Roni Bowers of Muskegon, Michigan, were missionaries affiliated with the Calvary Church of Fruitport, Michigan, and the Association of Baptists for World Evangelism. The Bowerses conducted their Christian mission work with their children, Cory and Charity, serving the native tribes along the Amazon River in the South American country of Peru. They had been there since 1995.

On Friday, April 20, 2001, the Bowerses were flying in an Association of Baptists for World Evangelism plane piloted by Kevin Donaldson, traveling from the Peru-Brazil border to Iquitos, Peru, after attempting to secure necessary visa documents for their newly adopted daughter, Charity.

The plane was wrongly attacked by a fighter jet of the Peruvian Air Force in an apparent attempted antidrug interdiction effort that may have also involved personnel of the United States. Roni and Charity Bowers were killed by bullets that were fired by the Peruvian jet into the plane, and pilot Kevin Donaldson was also severely injured in the attack. Kevin Donaldson, despite his injuries, was able to safely land his plane on the Amazon River, saving the lives of his other passengers.

The family, friends, and coworkers of Roni and Charity Bowers have displayed a shining example of their faith and grace in the face of this terrible tragedy. With this resolution, the U.S. House of Representatives expresses and conveys its deepest and most heartfelt sympathies for the loss of Roni and Charity Bowers to Jim and Cory Bowers, as well as to their extended families and their friends, their coworkers and fellow missionaries at the Association of Baptists for World Evangelism.

With this resolution, the U.S. House of Representatives commends Kevin Donaldson for his heroic actions in safely landing the plane, and further wishes Mr. Donaldson a speedy and complete recovery from his injuries.

And with this resolution, the U.S. House of Representatives strongly encourage the governments of the United States and Peru to work together as expeditiously as possible to determine all the circumstances that led to this unfortunate and regrettable incident and to ensure that an incident of this kind never occurs again.

Mr. WATTS of Oklahoma. Mr. Speaker, I rise today in strong support of my good friend and colleague's resolution expressing our deepest sympathies to the family and friends of Roni and Charity Bowers for their tragic loss, and also our admiration and wishes for a speedy and complete recovery to pilot Kevin Donaldson.

The calling to perform God's work is not given to all, and not all heed this call to serve. Missionaries, like the Bowers family and Mr. Donaldson, are blessed in their dedication to improve the lives of their fellow man and their service to spread the word of God so that all might know His love and promise of redemption.

The good work of these people must be commended, and the loss of a young mother and child to a tragic mistake is heart-wrenching. Mr. Speaker, while we are rightfully deeply concerned with the circumstances of this tragedy, we must not allow it to deter our resolve to fight the trafficking of illegal drugs that have affected not only families and children living in the United States, but indeed all those in the Americas.

I call on all my colleagues to support Congressman HOEKSTRA's resolution to express our heartfelt sympathies and condolences, and to strongly encourage a prompt and thorough investigation into the circumstances that led to this tragic outcome. The details surrounding the attack by the Peruvian fighter jet need to be determined, and we must find a way for our governments to effectively work together to ensure illegal drugs are not allowed to continue to poison our children and our societies, and also that never again will innocent civilians suffer due to an interdiction mission gone awry.

Mr. BURTON of Indiana. Mr. Speaker, I would like to express my sincere condolences to the Bowers and Donaldson families for their loss. I commend Congressman HOEKSTRA for bringing this resolution to the floor. It is the right thing to do.

My committee held a hearing today, chaired by subcommittee chairman MARK SOUDER. What became readily apparent from a variety of administration witnesses, is the CIA was responsible for this tragedy, yet they refused to return staff phone calls, member requests for briefings, and to provide a witness for the hearing. Instead the hearing resembled Abbott and Costello's "Who's on First" routine.

There is an established procedure for air interdiction. It has worked successfully nearly 100 times since it was implemented in 1995. Clearly this procedure was not followed here. Why? Why is all information surrounding the shootdown classified? Why does the CIA refuse to provide legitimate oversight committees in the Congress with briefings or wit-

nesses? Why does the CIA refuse to provide a witness? All of these questions need to be answered, and I hope Chairman SOUDER continues to pursue this matter in his subcommittee with oversight jurisdiction on this matter.

But, what cannot be done, is to give the drug traffickers a green light to resume their illegal activity that has been significantly slowed by the air interdiction program. I would like to submit for the record this AP article in which the Bowers family indicates that their tragedy should not stop the program. Mr. Bowers is quoted as saying "the United States should quickly resume drug surveillance flights . . . to say there needs to be an entire review of the whole program and suspend it and to let the drug people continue their business as usual is wrong." If a grieving husband and father can say this, the government should take note, and get back to providing the necessary coverage to stifle the drug flights as soon as possible.

There is an avenue here to consolidate these surveillance flights under one roof. The U.S. Customs Service already does this mission very well. They are a law enforcement agency with strict rules of engagement. It may be time to give this entire account—and most importantly the additional assets and funding necessary to successfully complete the mission—to the Customs Service. This means more P-3 surveillance planes as well as Citation aircraft. By placing this in one department who does not use civilian contractors, will leave the responsibility in one place. There will be no question of who is responsible, and where to go with questions. The acting Customs Commissioner at the hearing today said they would be able to do this if they were given the assets and the mission. I think it is time we in Congress gain some accountability by giving them the responsibility for this mission.

Thank you Mr. Speaker, and may God bless and comfort the Bowers and Donaldson families in their time of mourning.

[From the Associated Press, Apr. 30, 2001]

#### MISSIONARY SAYS DRUG SURVEILLANCE SHOULD RESUME QUICKLY

(By Bill Kaczor)

PENSACOLA, FL (AP).—A missionary says the United States should quickly resume drug surveillance flights suspended after his wife and adopted baby were killed in Peru when they were mistaken for drug smugglers and shot down.

Jim Bowers, who survived unharmed when their small plane crash landed after being fired upon by a Peruvian warplane April 20, said Monday he has expressed that view in a call to Secretary of State Colin Powell's office.

"To say there needs to be an entire review of the whole program and suspend it and to let the drug people continue their business as usual is wrong," Bowers said at a news conference.

He said it should take investigators no more than a day to figure out the shooting was simple error.

The Peruvian air force failed to contact a control tower that was in radio contact with the missionaries' float plane before shooting at it without first firing any warning shots, Bowers said.

"The main error in this whole thing is they were too quick to the trigger," he said. "I don't hold anyone responsible. It was a mistake as though someone fell asleep at the wheel and ran into us in a vehicle."

A U.S. Central Intelligence Agency aircraft had detected the missionaries' plane and notified the Peruvian air force. American officials say the surveillance crew, however, had advised it appeared, from the way the plane was flying, that it was not a drug smuggling flight.

Bowers, 38, of Muskegon, Mich., was in Pensacola for the funeral and burial Sunday of his wife, Veronica "Roni" Bowers, 35, and their 7-month-old daughter, Charity. He stayed with family in Wake County, N.C., immediately after the shooting.

The couple's 6-year-old son, Cory, also survived uninjured, but the plane's pilot, Kevin Donaldson, 41, of Morgantown, Pa., was wounded.

Bowers spoke to reporters at Marcus Points Baptist Church where the funeral services was held. His wife's parents, John and Gloria Luttig, of nearby Pace, are members of the church, which had helped support the couple's missionary work.

Bowers expressed his forgiveness to all involved at the funeral and during a memorial service Friday at his home church in Michigan. He said Monday he also hopes to talk personally with the Peruvian pilot who fired on their plane.

"I'm looking forward to that some day, but right now, I'm praying for him," Bowers said.

Although insisting he wasn't placing blame, Bowers said the pilot failed to give the missionaries a chance to land before he started shooting.

"I was assuming, because I've watched movies just like you all have, that there would be some kind of communication, they would come up next to us and let us know what they wanted," Bowers told reporters.

The air force plane swooped by a half-dozen times and begin firing only five or 10 minutes after the first pass, he said.

"Any decent air force pilot would give the other aircraft time to understand his intentions," Bowers said. "I just thought this is way too soon for them to be shooting already."

He said he saw a puff of smoke from the front of the warplane and told Donaldson he thought it was shooting at them just as the bullets began ripping through their aircraft. A single bullet instantly killed his wife and daughter.

Bowers said neither he nor anyone else from his family or church has been in contact with the baby's natural parents, but he said they knew she had been killed.

The couple's missionary work also has been supported by Calvary Church in Fruitport, Mich., and the Association of Baptists for World Evangelism, based in New Cumberland, Pa.

Mr. HOEKSTRA. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina.

There was no objection.

The Clerk read the concurrent resolution, as follows:

#### H. CON. RES. 117

Whereas James and Veronica "Roni" Bowers of Muskegon, Michigan, served as missionaries affiliated with the Calvary Church of Fruitport, Michigan, and the Association of Baptists for World Evangelism;

Whereas the Bowerses conducted their Christian mission work with their children, Cory and Charity, serving the native tribes along the Amazon River in Peru since 1995;

Whereas on Friday, April 20, 2001, the Bowerses were flying in an Association of Baptists for World Evangelism plane piloted by Kevin Donaldson, traveling from the

Peru-Brazil border to the city of Iquitos, Peru, after attempting to secure necessary visa documents for their adopted daughter, Charity;

Whereas the plane was mistakenly attacked by a fighter jet of the Peruvian Air Force in an apparent attempted anti-drug interdiction effort that may have also involved personnel of the United States;

Whereas Roni and Charity Bowers were killed, and pilot Kevin Donaldson was severely injured in the attack;

Whereas Kevin Donaldson, despite his injuries, was able to safely land his plane on the Amazon River, saving the lives of his other passengers; and

Whereas the family, friends, and co-workers of Roni and Charity Bowers have displayed a shining example of their faith and grace in the face of this terrible tragedy: Now, therefore, be it

Resolved, That the House of Representatives—

(1) expresses and conveys its deepest and most heartfelt sympathies to Jim and Cory Bowers and to their extended families, friends, co-workers, and fellow missionaries at the Association of Baptists for World Evangelism, for the loss of Veronica "Roni" Bowers and Charity Bowers in an attack by a fighter jet of the Peruvian Air Force on the plane in which they were traveling;

(2) commends Kevin Donaldson for his heroic actions in safely landing the plane and wishes Mr. Donaldson a speedy and complete recovery from his injuries; and

(3) strongly encourages the Governments of the United States and Peru to work together as expeditiously as possible to determine all the circumstances that led to this unfortunate and regrettable incident and to ensure that an incident of this kind never occurs again.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE

Mr. BALLENGER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on House Concurrent Resolution 117.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

#### SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

#### ILO CHAMPIONS CAUSE OF WORKERS' RIGHTS AROUND THE WORLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. BONIOR) is recognized for 5 minutes.

Mr. BONIOR. Mr. Speaker, this is a quote:

The failure of any nation to adopt humane conditions of labor is an obstacle in the way of other nations which desire to improve the conditions of their own countries.

□ 1845

Powerful words, and I wish I could claim that they are mine, but they are not. They are from the preamble of the Constitution of the International Labor Organization, which was created 82 years ago.

The United States, of course, was one of the nations which helped form the ILO. And, true to its mission, in the years since, the ILO has championed the cause of workers' rights around the world: the right to organize and bargain collectively; the right to refuse forced labor; the right to reject child labor; and the right to work free from discrimination.

In fact, right now the ILO is mounting a global effort to inform workers of their rights. Versions of this poster to my right, in a variety of languages, are being distributed around the world. You have rights to organize and bargain collectively, to refuse forced labor, to reject child labor, to work free from discrimination.

The ILO is living up to the challenge of fighting for workers' rights. The question is, are we?

Last week in Quebec, the President called for expanding NAFTA and creating a free trade zone stretching from the Arctic Circle to Tierra Del Fuego. We are told it is an opportunity to promote our values and democracy throughout the Americas. Imagine what a source of relief that must be to workers at Chentex, which is a clothing factory in Las Mercedes Free Trade Zone in Nicaragua. Or should I say the "former workers" of this factory, because after they organized a union in 1988, the workers at Chentex had the audacity to ask for a wage increase.

One day they staged a 15-minute work stoppage to protest the company's intransigence. What was the company's response? They fired the leaders of the union. At that point the workers went on strike. What was the company's answer, they forced more than 500 workers from their jobs and then they blacklisted them so they could not work in the free trade zone again.

If you follow the logic presented to us in Quebec, with a Free Trade Area of the Americas, that would not happen. As a result of dealing with American companies, employers like Chentex would see the error of their ways. They would respect workers' rights and bargain fairly. Their managers would stop forcing workers to labor as much as 12 hours a day, and they would not monitor their visits to the bathrooms or any of the other things that happen frequently.

There is only one problem with this theory: It is that the Chentex factory has been trading with the United States companies for years. In fact, they make clothing that is sold today by major U.S. retailers.

We do not practice what we preach. The theory that the President and the so-called free traders advocate has not worked. You do not have to go to Nicaragua, you can go to the free trade



zone along the Mexican-U.S. border. You can go to another 100 places like that around the globe. The reality is that too many corporations are treating people without human respect. And the ILO, I have a right, you have a right, to organize and bargain collectively, to refuse forced labor, to reject child labor, to work free from discrimination, is an important message to let people know around the world that we will not tolerate it, and they can stand up and be respected.

We have too many children, 8, 9, 10 years of age, working 12 hours in factories for less than a nickel an hour, a nickel a day in some instances, basically working for nothing. We have too many instances of people being discriminated against in the workplace. We have too many instances of forced labor, and this needs to stop. I only wish U.S. corporations were willing to cooperate with this movement.

It takes some leadership at the national level here in this country, not only from the government but from our corporate leaders. I wish someone would stand out and say we are going to set the pattern and treat workers abroad with respect and dignity. I think once that wave starts, it is pretty hard to stop. What we need to do is continue to press. We need to continue to support the ILO and their efforts to educate workers around the globe that they have these rights. We as a country, as people, as governments, and as corporations ought to stand up for those rights.

#### DECISION TO CHANGE HEADGEAR OF U.S. ARMY FROM FOLDING GREEN CAPS TO BLACK BERETS DISAGREED WITH BY MANY

The SPEAKER pro tempore (Mr. ISAKSON). Under a previous order of the House, the gentleman from North Carolina (Mr. JONES) is recognized for 5 minutes.

Mr. JONES of North Carolina. Mr. Speaker, last week I attended a briefing before the House Committee on Armed Services regarding the decision to change the headgear of the United States Army from the traditional green folding cap to a black beret. There have been many hearings and briefings since this decision was announced, and it seems to me, following each one, another bit of information not previously known has come to light.

The decision to disregard the history and proud tradition of the Rangers was the first bad decision. The decision to bypass the Berry amendment and purchase the berets from China and other foreign countries, rather than buy them from U.S. suppliers, was the second bad decision.

I did not believe that this decision could become any worse, but the longer the situation drags on, the worse it seems to become. The bottom line is that we have troops without adequate ammunition and pilots who cannot fly

because of a lack of funds, so why would the Army spend \$23 million to change the color of a hat on the whim of one general? It just does not add up. Just like a dead fish, this seems to be rotting from the head down.

Mr. Speaker, I have heard from many of our retired and active duty Rangers, among them Sgt. Bill Round from my district and Sgt. David Nielsen, who are both veterans. Believe me when I say, contrary to what has been reported, they are not pleased with the decision to change the beret designation to tan.

Mr. Speaker, tomorrow I will testify before the House Committee on Small Business regarding the matter in which the Berry amendment was arbitrarily dismissed. The gentleman from Illinois (Mr. MANZULLO) and the Committee on Small Business are to be commended for calling the hearing so that the Committee on Small Business can flesh out how the decision to bypass the Berry amendment was reached.

During my testimony, I will be discussing a bill that I have introduced that will prevent an error like this from ever happening again in the future. However, the immediate need needs to be addressed right now. The decision regarding the change from folding green hats to black beret appears to be dying a slow death. Murmurings are circulating about shoddy workmanship, and I am sure that other problems will come to light following the hearing tomorrow.

The time to bring an end to this ill-fated decision has come. It is my hope that the Congress and the administration can stop this outrage once and for all and restore the emblem which for so long has been a symbol of excellence in the United States Army, the Rangers wearing the black beret.

#### INTERNATIONALLY RECOGNIZED WORKERS' RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut (Ms. DELAURO) is recognized for 5 minutes.

Ms. DELAURO. Mr. Speaker, I thank my colleague, the gentleman from Michigan (Mr. BONIOR), for organizing this evening's discussion on so critical an issue as international workers' rights. The gentleman from Michigan (Mr. BONIOR) has been a champion for workers' rights at home and abroad, and I am proud to join him in this discussion.

Work is fundamental to our existence. It gives our life meaning, and it is necessary so workers can provide for even the most basic human needs, like food, shelter and clothing. We say that women and men share the same fundamental rights when they are at work. We say that the new global economy is creating unprecedented opportunities and new-found rights for workers, especially women, including the right to work free from gender discrimination, yet clearly we are not doing enough to make this a reality.

Gender wage discrimination is a national and international atrocity which continues to hold our global community captive and hinders further progress.

From the United States to Japan, from South Africa to the Netherlands, women are paid less than men. What is worse is that there is no indication that this will soon change for women worldwide. Across the globe, the United States Congress has the ability to protect workers' rights, including the right to work free from gender discrimination. As the most powerful nation in the world, we have the responsibility to influence other governments to defend workers' rights, to ensure that women workers are paid a fair wage so they can support their families. It is time that we live up to these responsibilities.

For decades women have been fighting for their right to enter the labor force, and progress has been made in terms of women in the workforce. With the globalization of the economy, women have assumed extraordinary responsibilities and have adapted to the duties of providing for the security of their families. They have taken on roles in the workplace and in their communities, oftentimes to lessen the harm from local and national crises, for example, the women that enter the agriculture sector in Africa in order to alleviate their families from the burdens of famine that have plagued Africa.

For the past 2 decades, the level of women's participation in the labor force has been increasing. In fact, in 1994, approximately 45 percent of the world's women from the ages of 15 to 64 were economically active. The rate at which women are becoming economically active is almost twice the rate for men. In the United States, Canada and the Scandinavian countries, women now make up nearly half the active population, with activity rates of over 70 percent in core age groups. Unfortunately, this is only half the story.

It is simply unacceptable that not all women have been able to choose to enter the workforce and those that do encounter additional barriers and violations of their rights. Although women have benefited a great deal from the changing global economy and newly created jobs, unequal pay remains a problem and job equality has declined.

I cannot believe that the majority of women worldwide continue to earn on the average only 50 to 80 percent of what men earn. In Japan, the Republic of Korea, women's salaries are roughly half of men's salaries. In developed countries, including the United States, the pay gap varies between 30 percent to slightly less than 10 percent. Worldwide, women earn an average of 75 percent of men's pay in nonagricultural work. These are outright violations of workers' rights, and the injustices persist despite undeniable success which women have achieved in accessing education and vocational and professional

training. We can no longer assume that the women arriving in the job market have fewer skills and less training than men.

In spite of numerous international conventions and laws guaranteeing the quality of opportunity and treatment, discrimination between the sexes persists. Women still assume the double burden of family and employment obligations. Women's pay remains lower than that of men; and women remain in the minority in decision-making and managerial posts.

The dramatic increase of women in the labor market has driven public opinion and the governments of many countries to acknowledge that they need to fight against these inequalities.

The United States Congress needs to be doing more to ensure that our government and those across the globe adopt legislation which represents the real political will that exists to eliminate inequality of opportunity on the basis of gender.

We need to pass legislation like the Paycheck Fairness Act, which I introduced in the 107th Congress, to ensure that protections against gender discrimination are enforced. It is a matter of human rights, of social justice, and sustainable economic development to make sure that women are paid in the same way that men in our society are paid.

#### HONORING REV. LEON SULLIVAN

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

Ms. LEE of California. Mr. Speaker, today one of the greatest civil rights and human rights leaders of our time, a great orator, a humble minister who lived his faith, Reverend Leon Sullivan, was laid to rest in Phoenix, Arizona.

Rev. Leon Sullivan was an advocate for the "least of these." His deep and abiding commitment to human rights, to economic development, to education, to the elimination of racism and apartheid transcended the North American continent all of the way to the continent of Africa and the entire world. His love for all of God's children was the driving force for many of his magnificent endeavors here in America and in Africa.

Mr. Speaker, I include for the RECORD Reverend Sullivan's obituary which sets forth his life's work.

[From the International Herald Tribune, Apr. 27, 2000]

LEON SULLIVAN, 78, KEY PLAYER IN ENDING APARTHEID, IS DEAD

(By Paul Lewis)

The Reverend Leon Sullivan, 78, the clergyman and civil rights leader who drew up guidelines for American businesses operating in South Africa under apartheid, died Wednesday of leukemia in Scottsdale, Arizona.

In 1977, Mr. Sullivan drafted the Sullivan Principles to help persuade American compa-

nies with investments in South Africa to treat their workers there in the same manner that they treated their U.S. workers.

He later worked with the United Nations on a code of ethical conduct for multinational corporations.

As originally stated, the Sullivan Principles called for racial nonsegregation on the factory floor and in company eating and washing facilities; fair employment practices; equal pay for equal work; training for blacks and other nonwhites so they could advance to better jobs; promotion of more blacks and other nonwhites to supervisory positions, and improved housing, schooling, recreation and health facilities for workers. On Wednesday, the UN secretary-general, Kofi Annan, praised Mr. Sullivan, saying that he had played a bold and innovative role in ending apartheid. And the Reverend Jesse Jackson called Mr. Sullivan "a tremendous source of hope and vitality and moral authority."

In 1971, Mr. Sullivan joined the board of General Motors as the company's first black director. He was instrumental in expanding black employment and creating more black dealerships.

By 1984, Mr. Sullivan had used his position on the General Motors board to persuade most American companies doing business in South Africa to abide by his principles. He then added several more guidelines.

He said that American companies should campaign actively against apartheid, allow black workers full job mobility and provide housing accommodations close to work.

In 1987, with apartheid still in place and such African leaders as Nelson Mandela still in prison, Mr. Sullivan toughened his approach, urging American corporations to withdraw altogether from South Africa and calling for the United States to impose trade and investment sanctions on that country.

This harsher stance, however, won little support from either the Reagan administration or American business leaders.

When apartheid was dismantled in the 1990s, many credited Mr. Sullivan's work as a major force in the change. But he said only, "If you take a hammer and chisel and pound a rock 100 times, it's going to crack. I pounded and pounded and it cracked."

In 1988, Mr. Sullivan retired as the head of Zio Baptist Church in Philadelphia, moved to Phoenix and began building bridges between African and black America, organizing a series of African and African-American summit meetings, with the first held in Abidjan, Ivory Coast, in 1991.

In 1999, he promulgated his own Global Sullivan Principles, ethical guidelines for multinational corporations. About a hundreds U.S. corporations have accepted them.

He was awarded honorary degrees by Dartmouth, Princeton and Swarthmore, among dozens of other colleges.

#### A FIGHTER AGAINST RACISM

A Baptist minister from humble beginnings in Charleston, W. Va., Leon Sullivan became a force for racial justice from the streets of Philadelphia to Soweto. The Rev. Mr. Sullivan died last week of leukemia at the age of 78. He will be buried today in Phoenix.

The Rev. Mr. Sullivan wrote an international code of business conduct that helped fight apartheid. For more than 20 years, he crusaded against institutionalized racial oppression, backed by the white South African government. His "Sullivan Principles," written in 1977, called on U.S. firms conducting business in South Africa to establish fair-employment practices, train non-whites and promote them to management jobs, and to improve employees' lives

outside of the work environment. He used his position as the first African-American to sit on the board of directors of General Motors Corp. to focus attention on racial segregation and deplorable living conditions of black workers in South Africa.

Before he moved into the international arena, the Rev. Mr. Sullivan fought for racial equality in Philadelphia, where he organized a boycott of local firms that would not hire African-Americans. Not one to accept the common corporate excuse that no qualified African-Americans could be found for available jobs, he established the Opportunities Industrialization Centers that since 1965 have trained hundreds of thousands of people in the United States and Africa. There are 56 affiliate centers in 36 states (none in Missouri or Illinois) providing education, training, employment and housing services to poor people of all races.

As the United States continues to push for global trade, the Rev. Mr. Sullivan's principles promoting equal economic opportunity for all races are every bit as relevant as they were in 1977.

Mr. Speaker, I will miss Reverend Sullivan tremendously. I will miss his words of wisdom and counsel. My last conversation with Reverend Sullivan was on the front steps of the Cannon Building last year. We talked about the HIV/AIDS pandemic which is ravaging Africa.

□ 1900

He told me that he intended for the African American Summit, which had been scheduled to take place in Abuja, Nigeria this month, to highlight the devastation brought on by this disease. He said that we must stay faithful to our mission to eradicate this disease from the face of the earth. Reverend Sullivan's untimely death prevents, for the moment only, this summit from proceeding, but his message of hope must be heard.

Tonight we can all honor his legacy. Tonight we can and we must recommit ourselves to increasing the level of funding to address the global HIV/AIDS pandemic, specifically in sub-Saharan Africa which has over 70 percent of the world's HIV/AIDS infections.

Finally, in honor of Reverend Sullivan, let us remember his magnificent life; and let us remember that it was he who helped mobilize us, making us take note that Africa does matter. It was he who helped remind us that America is home to tens of millions of African descendants. We cannot forget that Africa matters.

It is with a heavy heart, yet a sense of gratitude, that I remember Reverend Sullivan tonight. My prayers go out to Reverend Sullivan's family. May this great warrior rest in peace.

The SPEAKER pro tempore (Mr. ISAKSON). Under a previous order of the House, the gentlewoman from New York (Mrs. KELLY) is recognized for 5 minutes.

(Mrs. KELLY addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from the District of Columbia

(Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana (Mr. BURTON) is recognized for 5 minutes.

(Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. KUCINICH) is recognized for 5 minutes.

(Mr. KUCINICH addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. GEORGE MILLER) is recognized for 5 minutes.

(Mr. GEORGE MILLER of California addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### PUBLICATION OF THE RULES OF THE COMMITTEE ON THE BUDGET—107TH CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa (Mr. NUSSLE) is recognized for 5 minutes.

Mr. NUSSLE. Mr. Speaker, pursuant to Rule XI, Clause 2 of the Rules of the House of Representatives, I respectfully submit the rules of the Committee on the Budget for the 107th Congress for publication in the CONGRESSIONAL RECORD.

#### GENERAL APPLICABILITY

##### RULE 1—APPLICABILITY OF HOUSE RULES

Except as otherwise specified herein, the Rules of the House are the rules of the committee so far as applicable, except that a motion to recess from day to day is a motion of high privilege.

#### MEETINGS

##### RULE 2—REGULAR MEETINGS

(a) The regular meeting day of the committee shall be the second Wednesday of each month at 11 a.m., while the House is in session.

(b) The chairman is authorized to dispense with a regular meeting when the chairman determines there is no business to be considered by the committee. The chairman shall give notice in writing or by facsimile to that effect to each member of the committee as far in advance of the regular meeting day as the circumstances permit.

(c) Regular meetings shall be canceled when they conflict with meetings of either party's caucus or conference.

##### RULE 3—ADDITIONAL AND SPECIAL MEETINGS

(a) The chairman may call and convene additional meetings of the committee as the chairman considers necessary, or special meetings at the request of a majority of the members of the committee in accordance with House Rule XI, clause 2(c).

(b) In the absence of exceptional circumstances, the chairman shall provide no-

tice in writing or by facsimile of additional meetings to the office of each member at least 24 hours in advance while Congress is in session, and at least 3 days in advance when Congress is not in session.

##### RULE 4—OPEN BUSINESS MEETINGS

(a) Each meeting for the transaction of committee business, including the markup of measures, shall be open to the public except when the committee, in open session and with a quorum present, determines by recall vote that all or part of the remainder of the meeting on that day shall be closed to the public in accordance with House Rule XI, clause 2(g)(1).

(b) No person other than members of the committee and such congressional staff and departmental representatives as the committee may authorize shall be present at any business or markup session which has been closed to the public.

##### RULE 5—QUORUMS

A majority of the committee shall constitute a quorum. No business shall be transacted and no measure or recommendation shall be reported unless a quorum is actually present.

##### RULE 6—RECOGNITION

Any member, when recognized by the chairman, may address the committee on any bill, motion, or other matter under consideration before the committee. The time of such member shall be limited to 5 minutes until all members present have been afforded an opportunity to comment.

##### RULE 7—CONSIDERATION OF BUSINESS

Measures or matters may be placed before the committee, for its consideration, by the chairman or by a majority vote of the members of the committee, a quorum being present.

##### RULE 8—AVAILABILITY OF LEGISLATION

No bill or joint or concurrent resolution shall be considered by the committee unless copies of the measure have been made available to all committee members at least 4 hours prior to the time at which such measure is to be considered. For concurrent resolutions on the budget, this requirement shall be satisfied by making available copies of the complete chairman's mark (or such material as will provide the basis for committee consideration). The provisions of this rule may be suspended by the concurrence of the chairman and ranking minority member.

##### RULE 9—PROCEDURE FOR CONSIDERATION OF BUDGET RESOLUTION

(a) It shall be the policy of the committee that the starting point for any deliberations on a concurrent resolution on the budget should be the estimated or actual levels for the fiscal year preceding the budget year.

(b) In developing a concurrent resolution on the budget, the committee shall first proceed, unless otherwise determined by the committee, to consider budget aggregates, functional categories, and other appropriate matters on a tentative basis, with the document before the committee open to amendment; subsequent amendments may be offered to aggregates, functional categories, or other appropriate matters which have already been amended in their entirety.

(c) Following adoption of the aggregates, functional categories, and other matters, the text of a concurrent resolution on the budget incorporating such aggregates, functional categories, and other appropriate matters shall be considered for amendment and a final vote.

##### RULE 10—ROLLCALL VOTES

A rollcall of the members may be had upon the request of at least one-fifth of those present. In the apparent absence of a

quorum, a rollcall may be had on the request of any member.

#### HEARINGS

##### RULE 11—ANNOUNCEMENT OF HEARINGS

The chairman shall make public announcement of the date, place, and subject matter of any committee hearing at least 1 week before the hearing, beginning with the day in which the announcement is made and ending the day preceding the scheduled hearing unless the chairman, with the concurrence of the ranking minority member, or the committee by majority vote with a quorum present for the transaction of business, determines there is good cause to begin the hearing sooner, in which case the chairman shall make the announcement at the earliest possible date.

##### RULE 12—OPEN HEARINGS

(a) Each hearing conducted by the committee or any of its task forces shall be open to the public except when the committee or task force, in open session and with a quorum present, determines by rollcall vote that all or part of the remainder of that hearing on that day shall be closed to the public because disclosure of testimony, evidence, or other matters to be considered would endanger the national security, or would compromise sensitive law enforcement information, or would tend to defame, degrade, or incriminate any person, or would violate any law or rule of the House of Representatives. The committee or task forces may by the same procedure vote to close one subsequent day of hearing.

(b) For the purposes of House Rule XI, clause 2(g)(2), the task forces of the committee are considered to be subcommittees.

##### RULE 13—QUORUMS

For the purpose of hearing testimony, not less than two members of the committee shall constitute a quorum.

##### RULE 14—TIME FOR QUESTIONING WITNESSES

(a) Committee members shall have an amount of time not to exceed 5 minutes to interrogate each witness until such time as each member who so desires has had an opportunity to interrogate such witness.

(b) After all members have had an opportunity to ask questions, the round shall begin again under the 5-minute rule.

(c) In questioning witnesses under the 5-minute rule, the chairman and the ranking minority member may be recognized first, after which members may be recognized in the order of their arrival at the hearing. Among the members present at the time the hearing is called to order, seniority shall be recognized. In recognizing members to question witnesses, the chairman may take into consideration the ratio of majority members to minority members and the number of majority and minority members present and shall apportion the recognition for questioning in such a manner as not to disadvantage the members of the majority.

##### RULE 15—SUBPOENAS AND OATHS

(a) In accordance with House Rule XI, clause 2(m) subpoenas authorized by a majority of the committee may be issued over the signature of the chairman or of any member of the committee designated by him, and may be served by any person designated by the chairman or such member.

(b) The chairman, or any member of the committee designated by the chairman, may administer oaths to witnesses.

##### RULE 16—WITNESSES' STATEMENTS

(a) So far as practicable, any prepared statement to be presented by a witness shall be submitted to the committee at least 24 hours in advance of presentation, and shall be distributed to all members of the committee in advance of presentation.

(b) To the greatest extent possible, each witness appearing in a nongovernmental capacity shall include with the written statement of proposed testimony a curriculum vitae and a disclosure of the amount and source (by agency and program) of any Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the 2 preceding fiscal years.

#### PRINTS AND PUBLICATIONS

##### RULE 17—COMMITTEE PRINTS

All committee prints and other materials prepared for public distribution shall be approved by the committee prior to any distribution, unless such print or other material shows clearly on its face that it has not been approved by the committee.

##### RULE 18—COMMITTEE PUBLICATIONS ON THE INTERNET

To the maximum extent feasible, the committee shall make its publications available in electronic form.

#### STAFF

##### RULE 19—COMMITTEE STAFF

(a) Subject to approval by the committee, and to the provisions of the following paragraphs, the professional and clerical staff of the committee shall be appointed, and may be removed, by the chairman.

(b) Committee staff shall not be assigned any duties other than those pertaining to committee business, and shall be selected without regard to race, creed, sex, or age, and solely on the basis of fitness to perform the duties of their respective positions.

(c) All committee staff shall be entitled to equitable treatment, including comparable salaries, facilities, access to official committee records, leave, and hours of work.

(d) Notwithstanding paragraphs a, b, and c, staff shall be employed in compliance with House rules, the Employment and Accountability Act, the Fair Labor Standards Act of 1938, and any other applicable Federal statutes.

##### RULE 20—STAFF SUPERVISION

(a) Staff shall be under the general supervision and direction of the chairman, who shall establish and assign their duties and responsibilities, delegate such authority as he deems appropriate, fix and adjust staff salaries (in accordance with House Rule X, clause 9(c)) and job title, and, at his discretion, arrange for their specialized training.

(b) Staff assigned to the minority shall be under the general supervision and direction of the minority member of the committee, who may delegate such authority, as they deem appropriate.

#### RECORDS

##### RULE 21—PREPARATION AND MAINTENANCE OF COMMITTEE RECORDS

(a) An accurate stenographic record shall be made of all hearings and business meetings.

(b) The proceedings of the committee shall be recorded in a journal, which shall among other things, include a record of the votes on any question on which a record vote is demanded.

(c) Members of the committee shall correct and return transcripts of hearings as soon as practicable after receipt thereof, except that any changes shall be limited to technical, grammatical, and typographical corrections.

(d) Any witness may examine the transcript of his own testimony and make grammatical, technical, and typographical corrections.

(e) The chairman may order the printing of a hearing record without the corrections of any member or witness if he determines that such member or witness has been afforded a

reasonable time for correction, and that further delay would seriously impede the committee's responsibility for meeting its deadlines under the Congressional Budget Act of 1974.

(f) Transcripts of hearings and meetings may be printed if the chairman decides it is appropriate, or if a majority of the members so request.

##### RULE 22—ACCESS TO COMMITTEE RECORDS

(a)(1) The chairman shall promulgate regulations to provide for public inspection of rollcall votes and to provide access by members to committee records (in accordance with House Rule XI, clause 2(e)).

(2) Access to classified testimony and information shall be limited to Members of Congress and to House Budget Committee staff and stenographic reporters who have appropriate security clearance.

(3) Notice of the receipt of such information shall be sent to the committee members. Such information shall be kept in the committee safe, and shall be available to members in the committee office.

(b) The records of the committee at the National Archives and Records Administration shall be made available for public use in accordance with Rule VII of the Rules of the House of Representatives. The chairman shall notify the ranking minority member of any decision, pursuant to clause 3(b)(3) or clause 4(b) of the rule, to withhold a record otherwise available, and the matter shall be presented to the committee for a determination on the written request of any member of the committee.

#### OVERSIGHT

##### RULE 23—GENERAL OVERSIGHT

(a) The committee shall review and study, on a continuing basis, the application, administration, execution, and effectiveness of those laws, or parts of laws, the subject of which is within its jurisdiction.

(b) The committee is authorized at any time to conduct such investigations and studies as it may consider necessary or appropriate in the exercise of its responsibilities under clause (1)(e) of rule X of the Rules of the House, and, subject to the adoption of expense resolutions as required by clause 6 of rule X, to incur expenses (including travel expenses) in connection therewith.

(c) Not later than February 15 of the first session of a Congress, the committee shall meet in open session, with a quorum present, to adopt its oversight plans for that Congress for submission to the Committee on House Administration and the Committee on Government Reform in accordance with the provisions of clause (2)(d) of House Rule X.

#### REPORTS

##### RULE 24—AVAILABILITY BEFORE FILING

(a) Any report accompanying any bill or resolution ordered reported to the House by the committee shall be available to all committee members at least 36 hours prior to filing with the House.

(b) No material change shall be made in any report made available to members pursuant to section (a) without the concurrence of the ranking minority member or by a majority vote of the committee.

(c) Notwithstanding any other rule of the committee, either or both subsections (a) and (b) may be waived by the chairman or with a majority vote by the committee.

##### RULE 25—REPORT ON THE BUDGET RESOLUTION

The report of the committee to accompany a concurrent resolution on the budget shall include a comparison of the estimated or actual levels for the year preceding the budget year with the proposed spending and revenue levels for the budget year and each out year along with the appropriate percentage in-

crease or decrease for each budget function and aggregate. The report shall include any rollcall vote on any motion to amend or report any measure.

##### RULE 26—PARLIAMENTARIAN'S STATUS REPORT AND SECTION 302 STATUS REPORT

(a)(1) In order to carry out its duty under section 311 of the Congressional Budget Act to advise the House or Representatives as to the current level of spending and revenues as compared to the levels set forth in the latest agreed-upon concurrent resolution on the budget, the committee shall advise the Speaker on at least a monthly basis when the House is in session as to its estimate of the current level of spending and revenue. Such estimates shall be prepared by the staff of the committee, transmitted to the Speaker in the form of a Parliamentarian's Status Report, and printed in the Congressional Record.

(2) The committee authorizes the chairman, in consultation with the ranking minority member, to transmit to the Speaker the Parliamentarian's Status Report described above.

(b)(1) In order to carry out its duty under section 302 of the Congressional Budget Act to advise the House of Representatives as to the current level of spending within the jurisdiction of committees as compared to the appropriate allocations made pursuant to the Budget Act in conformity with the latest agreed-upon concurrent resolution on the budget, the committee shall, as necessary, advise the Speaker as to its estimate of the current level of spending within the jurisdiction of appropriate committees. Such estimates shall be prepared by the staff of the committee and transmitted to the Speaker in the form of a Section 302 Status Report.

(2) The committee authorizes the chairman, in consultation with the ranking minority member, to transmit to the Speaker the Section 302 Status Report described above.

##### RULE 27—ACTIVITY REPORT

After an adjournment of the last regular session of a Congress sine die, the chair of the committee may file any time with the Clerk the committee's activity report for that Congress pursuant to clause (1)(d)(1) of rule XI of the Rules of the House without the approval of the committee, if a copy of the report has been available to each member of the committee for at least 7 calendar days and the report includes any supplemental, minority, or additional views submitted by a member of the committee.

#### MISCELLANEOUS

##### RULE 28—BROADCASTING OF MEETINGS AND HEARINGS

(a) It shall be the policy of the committee to give all news media access to open hearings of the committee, subject to the requirements and limitations set forth in House Rule XI, clause 4.

(b) Whenever any committee business meeting is open to the public, that meeting may be covered, in whole or in part, by television broadcast, radio broadcast, still photography, or by any of such methods of coverage, in accordance with House Rule XI, clause 4.

##### RULE 29—APPOINTMENT OF CONFEREES

(a) Majority party members recommended to the Speaker as conferees shall be recommended by the chairman subject to the approval of the majority party of members of the committee.

(b) The chairman shall recommend such minority party members as conferees as shall be determined by the minority party; the recommended party representation shall

be in approximately the same proportion as that in the committee.

#### RULE 30—WAIVERS

When a reported bill or joint resolution, conference report, or anticipated floor amendment violates any provision of the Congressional Budget Act of 1974, the chairman may, if practical, consult with the committee members on whether the chairman should recommend, in writing, that the Committee on Rules report a special rule that enforces the act by not waiving the applicable points of order during the consideration of such measure.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. WELDON) is recognized for 5 minutes.

(Mr. WELDON of Pennsylvania addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Puerto Rico (Mr. ACEVEDO-VILÁ) is recognized for 5 minutes.

(Mr. ACEVEDO-VILÁ addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### NATIONAL LIBRARY LEGISLATIVE DAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Davis) is recognized for 5 minutes.

Mr. DAVIS of Illinois. Mr. Speaker, I join with the gentlewoman from California in paying tribute to Reverend Dr. Leon Sullivan who was one of the outstanding international leaders of our day. As a matter of fact, I recall some 25, 26 years ago when I was visiting in East Africa, and one of the first things I saw was an OIC center in Nairobi, Kenya. That is an indication of the kind of reach that Dr. Sullivan had.

I rise today, Mr. Speaker, to pay tribute to an important group of institutions in our communities, institutions that often go unrecognized, and, that is, our public libraries across the United States of America. This institution has served as an intellectual playground where young people explore their dreams. And for many of us, this institution has served as our think tank, where we go to formulate master plans for personal growth and development, where we go and relive our hopes for success.

Recently, I have had the opportunity to interact with three libraries in my congressional district, the one in Bellwood, Illinois; the one in Maywood, Illinois; and the Chicago library, the Harold Washington Library, in Chicago. Behind these walls, meticulously preserved are the thoughts, data, theories, and dreams that were generated by countless people who have greatly impacted our society. And so today I decided to simply recognize National Library Legislative Day.

There are approximately 122,289 libraries in the United States. A significant number of these libraries are free and available for public use. As an American, I am proud and pleased to live in a country that prioritizes giving access to information and knowledge.

We have all heard the phrase "knowledge is power" and yes, it is. It is not just the building or even the books that make the library so special. Day in and day out, libraries provide a smorgasbord of information that is needed by the general public. They provide guidance in a child's academic endeavors. They lend a helping hand to adults seeking to expand their knowledge base. And today libraries have been in the forefront of helping to close the digital divide by providing computer and Internet training to community residents. Indeed, libraries are multifaceted institutions.

We salute them for their commitment. We commend their excellence. And we are grateful for their guidance. We praise them on this special day and say, long live our libraries, so that long can live freedom and democracy in our country.

#### HONORING REVEREND LEON SULLIVAN

The SPEAKER pro tempore (Mr. PENCE). Under a previous order of the House, the gentlewoman from Texas (Ms. JACKSON-LEE) is recognized for 5 minutes.

Ms. JACKSON-LEE of Texas. Mr. Speaker, today we funeralized a hero of the American people and a hero of the world. And so I offer to his family and to the world, his world of friends, both national and international, my deepest sympathy.

Mr. Speaker, I rise today with a heavy heart to mark the sad passing of our friend Reverend Leon Sullivan, an educator, minister, diplomat, civil rights leader, and yes, national treasure. I am so happy that in the course of the last year, Reverend Sullivan and myself were together. His love for life, his interest and his passion of working with the people of Africa, his concern on making sure that there is a synergism between the business communities of this Nation and of the Continent were alive and well. And yes, he was receiving an outstanding award from then President Clinton for his great humanitarian service, and he relished it and he loved it and yes, we loved honoring him.

As the Lion of Zion, the 6-foot-5-inch Reverend Leon Sullivan was a giant among men. Reverend Leon Sullivan was an activist, civil rights leader, business leader and pastor as I have previously said. Reverend Sullivan once said, "We must stand up with politicians and businessmen and women. We must stand up for those who need help to stand on their feet." He was the author of the Sullivan Principles, a set of guidelines for American businesses operating in South Africa

under the apartheid regime. Although later largely superseded by the divestment movement, these principles laid a foundation for ethical business practices that continue to influence companies today.

The central premise of the Sullivan Principles was that American companies operating overseas should treat their workers there with the same fairness and equity that they practiced at home. He was a pioneer moving throughout this very difficult time, leading the way for then the major apartheid movement to come and finally crush that terrible and tragic time in our history.

The Sullivan Principles called for racial nonsegregation, fair employment practices, equal pay for equal work, improved housing, educational and health facilities for workers, and increased training and promotion opportunities for nonwhites who had been denied access under South African law and custom. He was trying to find solutions for what was then an insurmountable problem. He had faced discrimination at home. By the mid-1980s, most American companies operating in South Africa followed these principles before, as I said, we finally crushed apartheid.

As a child, Leon Sullivan lived in a segregated world where he was not permitted to sit at a counter in certain stores or attend school with white students. Although he was elected Governor of Negro Boys State, he was not treated the same as his white counterpart.

About his experience he said, "I couldn't understand quite why I had to do things a certain way. My grandmother had to wash these clothes. She had to iron them and put them in a little basket and I had to put them in my red wagon and take them out to where the big houses were. When I walked up Washington Street, all the white children walked on the left side of the street and all the colored children walked on the right side of the street."

In 1987, Sullivan called for U.S. companies to withdraw from South Africa and for international trade and investment sanctions against the apartheid regime. He came to the conclusion that a more harsher and stronger viewpoint must be taken and that we must end apartheid then and end it now.

About his role in helping end apartheid, Sullivan said, "If you take a hammer and chisel and pound a rock 100 times, it's going to crack. I pounded it and it cracked."

After the fall of apartheid, Sullivan worked with U.N. Secretary-General Kofi Annan to encourage businesses to adopt the Global Sullivan Principles for Social Corporate Responsibility on a worldwide basis. About 100 American corporations accept these principles today.

In 1971, Mr. Sullivan became the first African American director of General Motors. As a member of the board of directors, he expanded minority hiring

and business opportunities. He went on to build bridges. He continued to pastor the Zion Baptist Church in Philadelphia. They loved him greatly. He challenged the establishment. He continued to work on behalf of us all, and he did something even greater, beginning to put major conferences and summits on the continent of Africa, insisting that we travel to Africa to talk about the issues of health care, business opportunities, education, and yes, to enhance these developing nations.

Reverend Leon Sullivan knew what the 21st century would have to do. It would have to fight the war of HIV/AIDS and win that war. He was a champion of those issues. To the end, he was aware that the Continent was rich in resources and human resources and that in order for it to grow and thrive, we must embrace it, we must help it and enhance it but it must help itself. And yes, he embraced the fight against HIV/AIDS and helped Members of Congress to raise their voices against that terrible pandemic. He was a warrior and a lion. I will always remember his smile but most of all his fight for justice and equality and his love for humanity.

#### HONORING HELENE H. HALE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mrs. MINK) is recognized for 5 minutes.

Mrs. MINK of Hawaii. Mr. Speaker, I rise today to honor Helene H. Hale, a distinguished citizen of Hawai'i, whose extraordinary example of public service truly sets her apart.

I reprint here a copy of a Proclamation issued by County of Hawai'i Mayor Harry Kim on April 10, 2001, honoring Helene's many contributions to Hawai'i and recognizing a truly unique and remarkable woman.

#### COUNTY OF HAWAII PROCLAMATION

WHEREAS, Helene H. Hale has served the people of Hawai'i in various elective capacities for almost 50 years, and in at least one office in each of the past six decades: in the 50's and 60's as a County Supervisor, in the 60's as Chairman or Mayor of Hawai'i County, in 1978 as a delegate to the State's Third Constitutional Convention, and in the 80's and 90's on the County Council; and

WHEREAS, at the age of 82 years young, in the year 2000, she was elected to the State House of Representatives on the slogan "Recycle Helene Hale," becoming the oldest freshman ever elected to the State House, and she has taken State government by storm; and

WHEREAS, far from being a career politician, she has combined government service with other vocations, including wife, mother, college lecturer, bookstore manager, coffee grower, realtor, U.N. supporter, and founder of the Merrie Monarch Festival, and she has brought to each of these the same intelligence, wit, energy, and dedication which have marked her service in government; and

WHEREAS, Helene Hale has claimed many "First," including first female government official in Hawai'i since Queen Liliuokalani, first African American elected official in Hawai'i, first resident of Hawai'i on the cover of Ebony, first female chief executive of a

county in Hawai'i, and the first octogenarian in Hawai'i to campaign for public office in a bathing suit, and

WHEREAS, Jeremy Harris, Mayor of the City and County of Honolulu, proclaimed March 23, 2001, as "Helene H. Hale Day" in the City and County of Honolulu; and

WHEREAS, Helene Hale is a resident of the County of Hawai'i, and her political career has been here, not in Honolulu, and we cannot allow Honolulu to steal credit for our Helene.

NOW, THEREFORE, I, HARRY KIM, Mayor of the County of Hawai'i, do hereby proclaim (belatedly) March 23-29, 2001, as HELENE H. HALE WEEK in the County of Hawai'i, and extend belated best wishes for a Happy Birthday and many more in the future.

IN WITNESS WHEREOF, I have hereunto set my hand and caused The Seal of the County of Hawai'i to be affixed. Done this 10th Day of April, 2001, in Hilo Hawai'i.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PAYNE) is recognized for 5 minutes.

(Mr. PAYNE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

#### HEALTH CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, this evening I would like to talk about health care and my concern that in the first 100 days of the Bush administration, we have seen no action, effectively, on the major health care concerns that affect the American people, that my constituents are talking to me about and that many of my colleagues in Congress, in the House of Representatives, not only on the Democratic side but also on the Republican side, have identified, issues that we have identified as important that need to be addressed in this Congress. I want to mention three tonight. There are many, but I want to mention three, if I could: one is the need for a Medicare prescription drug benefit; the second is the need to reform HMOs, the so-called Patients' Bill of Rights; and the third is the mounting problem of so many Americans, maybe 45 million Americans at this point, who have no health insurance.

Before I get to those three points, though, I probably should point out that the President's budget sends sort of a defining message with regard to health care by essentially not only dealing with some of these problems effectively but also by threatening through the size of the tax cut that he recommends, which is primarily for the wealthy and corporate interests, to possibly raid or effectively raid the Medicare as well as the Social Security trust fund.

So I guess there is no reason why we should be under any illusions, if you

will, that President Bush effectively wants to address some of these health care issues when the reality is that his budget probably would harm health care, particularly for seniors, by tapping into the Medicare trust fund and certainly doing nothing that would improve the future viability of that trust fund. I know that we may be addressing the budget tomorrow or Thursday or sometime in the next week or so, and that is one of my major concerns, that the budget proposal through the tax cut proposal would dip into the Medicare trust fund and affect its future.

But I want to get back to the three issues that I wanted to address tonight that are health care-related and talk a little bit about each of those, if I could. One of the major problems that my constituents talk about, and I know it is true for all my colleagues because we have talked about it on the floor and we have had many discussions, the fact that so many seniors today are negatively impacted due to the cost of prescription drugs.

In my own State of New Jersey and in many States, we have enacted legislation that would provide prescription drug benefits, some more generous than others, depending on the State, for low-income seniors. But Medicare, which, of course, is the main health care program, the health care program that most seniors rely upon, that is universal, does not include a prescription drug benefit. You may be able to get it if you have an HMO, but increasingly the HMOs do not provide prescription drug benefits or very limited benefit.

□ 1915

So what we see is more and more seniors taking money out of their pockets to pay for increasingly high costs for prescription drugs.

I happen to chair our Democratic Health Care Task Force where we took up this issue, but many of my colleagues on the Democratic side, and certainly some on the Republican side as well, felt that we needed to provide a prescription drug benefit in the context of Medicare so that all seniors, not just low-income seniors but middle-income seniors who are impacted probably more than anybody else, because in most States there is no benefit for them, there is no protection for them, need to have this kind of a benefit.

The Democrats came up with a bill which we introduced in the last Congress, and I just want to summarize that if I could, the major features of that bill, to get an idea of the type of prescription drug benefit that I think we need.

First of all, the Democratic bill, called the Prescription Benefit Act of 2000, was universal and voluntary; established a voluntary prescription drug benefit program for seniors and disabled in Medicare beginning in 2002.

Enrollment is voluntary when a senior or disabled person first becomes eligible for Medicare or if and when they



lose coverage from an employer, an HMO plan, or Medicaid. Enrollees would receive Medicare payments for covered drugs from any participating pharmacy and are charged negotiated discounted prices on all of their covered drug purchases regardless of whether the annual benefit limit has been reached, the idea being that we want to pool all the seniors in a Medicare benefit so that the cost of prescription drugs is significantly less.

In terms of the benefit, the proposal that the Democrats put forth last year would pay for at least 50 percent of the negotiated price for the drug, up to 50 percent of annual limits equal to \$2,000 through 2002 to 2004, and it goes up to \$5,000 to 2009, and then adjusted for inflation. So 50 percent of the cost from the first prescription that one buys and then up to \$5,000. There was a catastrophic benefit beyond that that one would not pay anything.

The main thing I want to point out, though, is that this was a universal benefit. What the Democrats have been saying is that everyone in Medicare should be eligible for a prescription drug benefit. That is because most of the people that are complaining to us about the cost of prescription drugs and not having coverage are, in fact, middle-income seniors, not the very poor who often have, as in my State of New Jersey, some kind of a program to pay for their prescription drugs.

Now, during the course of the campaign, President Bush said that he wanted to address the concerns of seniors and he wanted to enact, if he was elected President, a prescription drug benefit. It was not quite clear what he had in mind. He was pretty general about it, but he certainly suggested that it was not just for low-income seniors. It would be for all seniors.

Now so far in the first 100 days of this administration the only proposal that we have received is one that was basically included in the budget for, I think, about \$150 billion, which is woefully inadequate in any case, for a low-income prescription drug benefit. I do not even want to stress this that much, Mr. Speaker, but I need to stress that there has been no push for this. It is one thing for the President to get up during the campaign and say I want a prescription drug benefit. It is another thing for him to change later and say, when he is elected, well, this is going to be primarily for the low-income or exclusively for low-income people.

We all know that from the bully pulpit of the Presidency that if one wants to get something done they simply come down here to the Republican leadership that is in the majority in both Houses and say this is a priority, we want to get this done and we want to get it done now.

We are not getting that. We are not getting any suggestion from the White House that this is a priority. Nobody is sitting down here with either the Republican leadership or the Democrats, certainly not effectively, and saying

that we want to do something here and we want to move this. There may have been some hearings, but there is no legislation that is moving in any committee that would provide a prescription drug benefit.

I want to be a little critical of what the President has proposed because I want people to understand, and my colleagues to understand, that it really does not help too many people because it is a low-income benefit; but even more I want to stress over and over again that there is no push even to do this.

Let us just analyze briefly what the President's medicine proposal, prescription medicine proposal, is.

Basically, the way he defines it, he says it would limit full prescription coverage to Medicare beneficiaries with incomes up to 35 percent above the poverty line. So that is up to \$11,600 for individuals and \$15,700 for couples, and seniors with out-of-pocket prescription spending of \$6,000 per year. Basically, we are talking about people at a fairly low-income level.

In my own State of New Jersey, the people that would be covered by the President's proposal would already be eligible for our low-income prescription drug plan that is financed through casino revenue funds. I would suspect that that is going to be the case in a lot of other States that we are only dealing with fairly low-income seniors, many of whom are already provided some kind of coverage by their State; but even if they are not, it is not a large percentage of the Medicare senior population that needs a prescription drug benefit.

I would venture to say that unless one is fairly well-to-do today, they are suffering if they have to pay for their prescription drugs out of pocket.

Now just to point out that the Democrats really mean business, when the President's budget came over, or when the House budget which essentially reflected the President's budget came over, to the Senate, the Democrats basically sought to double the amount of money that would be available for a prescription drug program from essentially \$150 billion, which was the President's proposal, to about \$300 billion, on the assumption that we could have some sort of universal benefit if it were to pass.

Of course, the President has canned that and said he does not support it.

Just to point out how important this issue is and that I am not just talking about this in the abstract but I know that it is something that is really crucial to the average senior, just last week in the New York Times there was an article, April 23, about States creating plans to reduce costs for drugs. It outlined how so many of the States now are putting in place prescription drug programs because they realize the necessity of them; but again, a lot of this is just for low-income seniors. A lot of it does not cover that many people.

I maintain that rather than look to the States to create these plans which oftentimes are limited and which frankly they cannot afford, the Federal Government should be taking a lead. Basically, the fact that so many States are dealing with this issue, and trying to, cries out, in my opinion, for a Federal solution.

Another area where I think that the average American is losing out with regard to health care needs is on the issue of HMO reform and Patients' Bill of Rights. Before I get to that, I see that one of my colleagues is here; and I know that she has been out front on these health care issues for a long time now, so I would like to yield, if I could, Mr. Speaker, to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank my distinguished colleague, the gentleman from New Jersey (Mr. PALLONE). I particularly thank him for the persistent and dedicated leadership. Listening to him, I could not help but come to join him and raise some of the concerns that I have, particularly because I think it is important. I heard some lightheartedness made about our schedule; and I think it is important to note that, of course, the Democrats do not make the schedule for the House. The gentleman was just providing a long litany of needs, and I would really prefer to be here working with these issues, grappling with these issues.

Yesterday I spent a day in my district, called a day of community health, with the U.S. Surgeon General. What we did, rather than give speeches in a big auditorium, we went to different health centers to look at the different needs that our community has. We focused, first, on the fact that cancer is maybe the second disease or second highest death rate in our minority community and in our community. We looked at trauma, the needs of our trauma facilities; and lo and behold, we found out that across the Nation there is a nursing crisis; we do not have enough nurses to deal with health care.

We looked at HIV/AIDS. We looked at the question of children's health care, elderly care, and infant mortality. I raise these issues with the gentleman because it was a very productive day. We listened to the people who were there working every day on the ground with these issues.

The one thing that was noted is that health care dominates people's conversation. As I look at the administration's budget, it gives me pause for concern, particularly since we have about a million children uninsured in Texas. We are only about 300,000 that we have enrolled. We are looking forward to going to 400,000, but I still think that is not enough. So I am interested in ensuring that the CHIPS program continues to be funded at the level that is needed to insure every single child.

As the gentleman well knows, some of the programs relate to working parents. This is not a handout of sorts. Some of these are the working poor.

Just a few days ago, in the last 24 hours, the State of Texas took on a bill of about \$57 million, I think, for the City of Houston to help pay for the insurance of public school workers. That is going to be a big burden on our State of Texas; and of course, we appreciate the leadership of the State legislature, but they obviously are going to need collaborative support as it relates to the funding for our hospital district, our county hospitals and, as well, as I said earlier, as it relates to the care of our children.

The gentleman noted that we are still struggling with this whole issue of prescription drugs for seniors. There is not a time that I go to the district that that issue is not being raised; that working seniors, and when I say working seniors, seniors that worked who now are retired, have indicated that even with their pensions and Social Security, the cost of prescription drugs is overwhelming. They are not able to provide for themselves with housing and the upkeep of the needs that they have and to pay their utilities, and particularly with the emerging crisis in energy, and also pay for the prescription drugs.

So my point this evening is simply to say that there is a great opportunity for us now to engage in real serious debate, bipartisanship, to talk about issues that soon we will say we are too overloaded with the appropriations process, the budget process and there goes prescription drug benefits again.

I would simply like to ask the administration, and the Republican leadership, can we not get down to the business of health care in America? Can we not come up and pass the prescription bill that is already filed, that is a bipartisan bill, that is waiting for us to respond to?

Finally, might I say to the gentleman from New Jersey (Mr. PALLONE), he was just about going to provide some statistics on that, in fact I think the American Association of Emergency Physicians is meeting here and the American Medical Association raised a number of issues in their meeting; we need the Patients' Bill of Rights. I do not know what the holdup is. The last session we were almost at the front door or at the brink of voting. I think we obviously passed it out of the House, never got anywhere. How long do the American people have to wait? How long do I have to continue to say to my constituents, we are working on it; we are working on it? I hope that the administration realizes that there is a great need in health care in America. Even in these days of seeming prosperity, we are still fighting AIDS domestically as we are fighting it internationally. We are seeing pockets of AIDS increase that need to be addressed to ensure that these individuals continue to have coverage for their particular needs.

So I thank the distinguished gentleman from New Jersey (Mr. PALLONE) for this Special Order. I hope that we can draw the attention of the administration on that 4 percent across-the-board cut that we do not find that health care in America goes down rather than up, and I believe that if the administration would listen they would know that health care is number one in Americans' minds and hearts, and we need to do something about it.

I thank the gentleman for yielding, and I hope we can get down to work.

Mr. PALLONE. Mr. Speaker, I want to thank the gentleman from Texas (Ms. JACKSON-LEE) for her comments. I think she is very much on point. When I go back to the district, I hear the same thing, what is being done about the health care issues? As we heard, I identified the three: the Medicare prescription drug, the HMO reform, and the problem of the uninsured. I talked a little bit about the prescription drug benefit, but the gentlewoman pointed out with regard to the problem for the uninsured, I had very high hopes. If the gentlewoman remembers during the campaign, President Bush mentioned dealing with the uninsured.

□ 1930

But then when he gets here, we do not see any action. Even in his confirmation hearings, the new Secretary of Health and Human Services, Secretary Thompson, said that he wanted to expand the CHIP program, the child health care initiative, to include adults, the parents of the kids.

Again, you point out, we are not talking about people that do not have a job or are not working. These are working parents who are above the Medicaid guidelines, but they do not get health insurance on the job and cannot afford it. So the idea was to expand CHIP to include the parents.

We also know, if you do that, you get more kids signed up, maybe selfishly so, if the parents are in it, the kids get in it too. I do not want to analyze all that, but we are not seeing that happening.

The Secretary is talking about granting waivers. But as you know, in many States the CHIP program has already exploded. I do not want to read this editorial now, but I have one from my local paper, the Asbury Park Press, a couple of weeks ago during our recess, and it points out how the program has been so successful, they do not have enough money to pay for it for the children.

Now, New Jersey has a waiver and is trying to expand it to the adults. So many people signed up for it, they do not know where the money is going to come from.

We do not have the money in the President's budget to expand the CHIP program to take care of adults, let alone even take care of all the kids, in my opinion.

Again, we heard about all these things once upon a time with President

Bush and his Cabinet, but it is not happening. The money is not there. There is no initiative to say that CHIP should be permanently expanded to include adults and, more important, there is no money.

Ms. JACKSON-LEE of Texas. If the gentleman will yield just for a moment, as I just wanted to conclude on that point, you have got an exploding problem in New Jersey, and I have got an under-enrollment problem in Texas. I still have about 500,000 or 600,000. And I see my friend and colleague from Texas; he knows how hard we are working with the Hispanic, African American and poor community to get them enrolled. We still have work to do.

One of the other issues we have spoken about on this floor and still needs work, and I just wanted to mention it as I close, is mental health parenting. I was home this weekend and again that constituency was raising the question about, do you all realize how important it is to provide access to mental health services?

We all have legislative initiatives. They cannot be authorized and then not funded. That is a real issue in this country; how long are we going to have to wait to ensure that our insurance companies cover it? But people who are getting monies, not from the insurance companies, but using the public system, how do we provide them with mental health coverage?

So there are a lot of issues we could be addressing, and I wish that we would have the opportunity to do so.

Mr. PALLONE. Mr. Speaker, reclaiming my time, I want to yield in just a minute to our other colleague from Texas, but the sad thing is the administration, this Bush administration, keeps talking about what they are going to do. But we do not really find that they are doing it.

We had Governor Thompson, now Secretary Thompson, before our Commerce Health subcommittee last week, and he was touting the fact that he is going to provide more money for community health centers. But if you look at the Bush budget, and there is one paragraph here, it actually gets aid to the uninsured.

So they are talking about trying to help with these community health centers, but then they cut it. This is from the New York Times. "The Bush budget will propose deep cuts in health programs for people without health insurance. Budget documents from the Department of Health and Human Services show the programs providing health care access for the uninsured will be reduced 82 percent to 20 million from 140 million in the current fiscal year. These programs received 40 million in 2000."

So I hate to use the term not being honest or not being truthful, but really, he is not being honest with the American people in terms of what he is doing on these health care issues. He talks about what he is going to do, but the money is not there and there is no

movement, no effort to do anything to Congress to move in that direction.

Mr. Speaker, I yield to the gentleman from Texas.

Mr. RODRIGUEZ. Mr. Speaker, I thank the gentleman. I know he has been adamant about access to health care for everyone and trying to make sure it becomes not only accessible, but affordable to everyone. I want to thank the gentleman for doing that and continuously pushing forward.

Let me just say things have gotten worse now. We have got over 44 million uninsured. That number continues to grow. As people become unemployed, that is even going to get worse. And the reality is if you live in America and you work in a small company, and you do not work for government or for a major corporation, you do not have access to health care.

You have to be indigent to be able to qualify for Medicaid, you have to be elderly to qualify for Medicare, and if you are the working poor out there, trying to make ends meet, you do not have access to health care, both affordable and any type.

The reality is also that the increase in the prescription coverage we have been trying to provide, I know from a minority perspective, a large number of people, senior citizens on straight Medicare, and if you do not have access to Medicaid, then you do not have any prescription coverage and you do not have access to that.

I know the President has proposed that effort. But even his proposal, if you look at it, would disenfranchise about 25 million senior citizens that would not be able to have access to prescription coverage, which is something critical.

At a time when we are talking about tax cuts, here is an issue that if we could provide access to health care and affordable health care to all Americans, we would have an opportunity to not only help businesses and small businesses out there that are now having a rough time also paying for that insurance to get access to health care, but we would be providing everyone at least that opportunity when they got sick.

We talked about the fact that in America it is not a constitutional right, but I was surprised, and some people do not realize that the only ones who have a constitutional right to have access to health care are prisoners in this country. Our prisoners have a right to have access to health care, yet our working Americans out there that are working do not have access to it and cannot afford to have access. That is unfortunate.

The first 100 days, I have not heard the President say one word about health care. I know his budget, you mentioned the community health centers he had proposed, and I was real optimistic when he said he proposed \$3.6 billion for the next 5 years. Well, that has not happened and that has not materialized. The community health cen-

ters are the ones out there in the country providing that access in rural America and urban areas for those individuals that do not have access to health care, and that is important.

I want to also indicate that the President's budget also cuts Medicaid by over \$600 million. Here is an issue, and I mention Texas because I am from Texas, we have had over 300 nursing homes that have gone under, mainly because of the Medicare-Medicaid reimbursement in Texas, one of the lowest in the country. Yet he is going to cut \$600 million from Medicaid, which is for the indigent, and we are going to have problems in that area based on that effort.

In addition, I want to share with you one of the areas, because I sit on the Committee on Armed Services and the Committee on Veterans' Affairs. In the area of veterans, he talked during the campaign about the importance of the military, yet when it comes to veterans, he has proposed a \$1 billion increase. I want to share with you, that means 4.5 percent.

Well, in the area of health care, you can say the cost of living is 2.2, 2.3 percent, but in health care, it is over 15 percent. Prescriptions have gone up by almost 20 percent in cost. So when you look at an industry that is related to health, their cost of living is a lot higher. It has been estimated it is close to 4.7 percent.

Basically what his revenues for our veterans is going to cover is existing programs. Right now, we find a dilemma that those people that have served our country when we needed them the most, they were there for us, and now that they need us, we are not there for them.

There is no specific funding to reduce the lengthy delays in veterans' access to VA health care. There is no specific funding to improve quality of health care availability to veterans to rely on the VA. There is no specific funding to fully implement the Veterans' Millennium Health Care and Benefits Act, not to mention the fact that when it comes to our veterans in the area of mental health, as my fellow colleague, the gentlewoman from Houston, Texas (Ms. JACKSON-LEE) indicated, in the area of mental health, at any one time you will find over half a million veterans that are homeless out there, a lot of them suffering from mental health problems. When it comes to that area, we are not doing enough to be able to cover that. So we have a real situation where we need to make sure that we are responsive to our veterans.

I just want to add that I think it is important to recognize that right now our colleagues back home in Texas, and I want to mention this because this directly relates to our President, that when he was in Texas, he also gave a major tax cut.

Well, as of September and August of this past year, 2 months before the election, our State comptroller indicated that we were projected to have a

\$5 to \$6 billion surplus. That projection never materialized, and in fact, supposedly we are down almost \$11 billion in the hole. So the State is having a real difficult problem, and there are some quotes from both Democrats and Republicans, the fact that the State has been left in a situation they have never been in in years.

What is going to happen with the tax cuts we are having now, without having our priorities, without considering the issues that are before us? We are going to find ourselves in a situation because of what he did today.

Today, he proposed the missile defense. Here we have a \$100 billion proposal that we have already expended, by the way, since 1983 over \$58 billion on this missile defense, which breaks every single treaty we have had with Europe and Russia. We are the ones that are proposing it. We are the ones that are breaking the treaty. We are the ones that decided we wanted to do something different and are causing a problem. We are going to expend major resources that should be going to services and to our veterans and to other things.

I want to just add a couple of things. I chair the Task Force on Hispanic Health Care, and one of the things we really need to kind of look at in this country is the fact that in the 1980s, up to 1987, I was in the public health community in Texas, and we were at a point of almost closing down our tuberculosis hospital because we did not have any cases.

The bottom line is that now there are over 15 million cases of tuberculosis throughout this country, a large number; one-third of them are along the border. So we need to be very cautious with those infectious diseases, wherever they occur, in this country or in Africa, because those diseases, if we do not take care of them now, the medication that is being tested now and is not taken appropriately, other types of viruses have come about that we do not have the technology to deal with. If those diseases come into this country, we are going to have a serious problem. So we are not spending enough when it comes to tuberculosis.

When it comes to AIDS we have made some inroads, and, yes, the statistics seem to be improving. But it is disproportionately now hitting certain populations. Hispanics, for example, represent 20 percent of the cases, yet we only represent 13 percent of the population.

When you look at AIDS throughout the world, and you would say, why do you want to get involved in AIDS in Africa, it is because of the fact that it is the same virus. If we do not treat it there, that virus will grow and go elsewhere and eventually, if we are not careful, it will come here too. So we need to be very cautious in those infectious diseases and treat them as if they were right here in our backyard. If we can treat them abroad, that is even

better, so they do not reach our borders. So it becomes real important that we do those things.

I am hoping that as we move forward, and I know most Americans feel that we should at least have access to that health care, affordable and accessible care, I think that we can move forward on that. There are some beautiful proposals out there that talk about access to health care, and indicate that we can, because we are the country that expends the most right now on health care, and they are saying we can cut that by \$150 billion if we come up with a new system, because we are based on a system that is basically based on profits and not provided. If you are sick, a lot of times you are let go and you are left and no one wants to insure you.

So the bottom line is that, as Americans, we need to make sure we are there for our senior citizens, we need to make sure that we are there for our most vulnerable; and we have to make sure that those working Americans have that opportunity to receive that care.

Once again, I want to thank the gentleman for his efforts. I know he has been there right on the forefront, and I love the fact that he has not let go of this issue; and it is something that is critical, and we should not let it go, and we need to move forward on it.

□ 1945

Mr. PALLONE. I want to thank my colleague, the gentleman from Texas.

The gentleman pointed out in the beginning of his statement, and I just wanted to reiterate it again before we move to our colleague, the gentleman from Connecticut, that not only is the problem with the uninsured growing, I think a few years ago it was 40 million, now the gentleman said it was almost 45 million uninsured, but I think, as the gentleman pointed out, very importantly, that if the economy does not continue to do well, and we know in the last few months there have been problems, that the problem will get worse and a lot more people will not have insurance.

Again, I am critical of the President, not because I do not like him or anything, but just because he talks about these things but we do not see the action, we do not see the money.

When the budget went over to the Senate, a resolution was passed to actually put I think it was \$28 billion in additional money into the budget just to address the problem of the uninsured. It was passed unanimously, and there were Democrats and Republicans who spoke out and said that this was important.

Senator WYDEN specifically talked about the economy slowing, and how more people would need insurance because they would not be getting it on their job.

Then we had OLYMPIA SNOWE, a Republican, talk about how this additional money could be used to put

adults into the CHIP program, the way the gentlewoman from Texas (Ms. JACKSON-LEE) was talking.

Then we even had GORDON SMITH, who is a Republican, who said that the measure could be used to help businesses reduce the costs of insurance for their low-income employees, what the gentleman talked about.

I just do not understand what the resistance is on the part of the Bush administration to trying to address these issues. Again, we hear a lot of rhetoric, but we do not see any money. We do not see any effort to come down here and try to prioritize this issue at all.

Mr. RODRIGUEZ. What I am afraid of, if the gentleman will yield, is that he is going to move with a tax cut and then, in all honesty, come forward, because there are a lot of needs now on the military budget, and he has come up with a budget that almost does not provide anything yet and he has not brought it forward, but I am sure right now there is a real need for 40,000 new troops, we need \$17 billion for infrastructure, and if he pushes that missile effort, that is \$100 billion, not to mention that we need a lot of other resources.

So I am afraid that instead of taking care of priorities now when we do have the resources, we are going to find ourselves the way we found ourselves in the 1980s. It is a political move from the Republican right to pit the issue of the security of our Nation and our armies against health care and education.

It is unfortunate that he is playing with the lives of all Americans when it comes to access to health care at a time when we have the resources to take care of those priorities, both on the military side as well as on the health care side.

Mr. PALLONE. I appreciate the gentleman's comments. I thank him for coming down to join me and others.

Mr. Speaker, I yield to the gentleman from Connecticut (Mr. LARSON).

Mr. LARSON of Connecticut. Mr. Speaker, I thank the gentleman from New Jersey, and join with both my colleagues in terms of their comments this evening as it relates to health care.

I especially want to laud the gentleman from New Jersey (Mr. PALLONE) for his efforts. Oftentimes he is the lone sentinel, if you will, on the watchtower of health care for everyone in this Nation.

With more than 44 million people without insurance and access to health care across this Nation, I think Americans listening in often wonder, as we talk to an empty Chamber, is there anyone home? Does Congress listen to the concerns that we have?

To the gentleman's earlier point, I think that in the last campaign I do not think that there was a person in this Chamber or clearly either Presidential candidate that did not take almost blood oaths with respect to providing prescription drug relief for sen-

ior citizens, and to making sure that Social Security and Medicare and Medicaid would be taken care of.

I am sure that the President is well-intended, but as the gentleman points out, the proof is not only in the budget, but in the resolve of those of us in this building to address these issues forthrightly.

Many of us, like the gentleman, have done surveys in our district with respect to prescription drugs, or have been home to town meetings or on radio talk shows where we have listened to call after call of the elderly, pleading to provide them with some relief, those elderly who have to choose between the food they are going to put on their table, the heating or cooling bills they are going to have to pay to their utility companies, or the prescription drugs that their doctors require them to take.

We know from the studies that the cost of the very same prescription drugs that they need for blood pressure, for relief from arthritis, they can get at half the price in Canada or Mexico.

I can say it no better than the woman on 60 Minutes who said, "I feel like I am a refugee from my own health care system in this country." Will not Congress listen?

Let us not judge these first 100 days on the basis of civility, and I give the President credit for changing the tone, but let us judge these first 100 days on the resolve to truly reach out and help the greatest generation.

Is it only lip service that we are paying Americans all across the country, or are we firmly committed to come forward and allow them to live out their final days in dignity, allow them not to be faced with the godawful choice between the food on their table and the prescription drugs their doctors are recommending that they take?

These are important decisions. When I go home to my district, people say, "You are not doing anything down there in Congress. It does not seem as though the rhetoric during the campaign lives up to actual action on the floor of either Chamber." Sadly, they are right.

I applaud the gentleman. I said to the people back in my district, I am going to continue to come to the floor of this House and continue to speak out on the need for us to provide the kind of relief that our citizens need.

In this time of prosperity, in this time when we have the resources, there is no excuse to turn our backs on the elderly. They should hold our collective feet to the fire on this issue, because both parties, all candidates, campaigned on this issue. Now it is a question of delivering on this issue for the people we are sworn to serve.

We would do well to heed the advice of Hubert Humphrey, and remember that those in need during a time of prosperity, whether they be the children in the dawn of their life, the elderly in the twilight of their life, or those

in the shadows of their life who need our help and assistance, this is the time for us to act and respond.

I thank the gentleman again for providing this opportunity in this special order for people to address the concerns of health care, and specifically for me tonight to be able to talk about the need for prescription drugs.

Mr. PALLONE. I want to thank the gentleman, and thank him for coming down and expressing and articulating his thoughts so well.

The gentleman talked mainly about the prescription drug issue. I think of the three health care issues that I sort of highlighted, and that we all highlighted tonight.

That is the one where I think there has probably been the most disappointment because of, as the gentleman said, the rhetoric during the campaign. It was certainly true on the part of President Bush or then candidate Bush that this was going to be addressed and this was going to be a priority, and it has not been.

We can argue about what kind of plan we should be putting into place, and whether the Bush plan is different than the Democratic plan. I can talk about that all night. But the bottom line is, I do not see any movement. I do not see any effort by the President to come down here and say, "This is a priority and I want it enacted into law," even his own proposal, as limited as it is.

I think we can see that on all these issues. Probably the one that he most committed to was the Patients' Bill of Rights. I remember during one of the debates when he specifically said, "We have a Patients' Bill of Rights, an HMO reform bill, that is on the books in my State of Texas." And of course he did not comment on the fact that he never signed it. But leaving that aside, it was in effect. He said, "I would like to see the same thing, and I would support the same thing on a Federal level if I was elected President."

Well, 100 days have passed. We had a bipartisan bill introduced in the other Chamber. I think we had Senator MCCAIN and Senator KENNEDY. Here we had a bipartisan bill. The gentleman from Iowa (Mr. GANSKE) and the gentleman from Michigan (Mr. DINGELL) introduced a bill that was modeled exactly on the Texas law.

They had a previous bill in the last Congress called the Patients' Bill of Rights. They changed it slightly to conform exactly with the Texas law on the liability law, on all the issues that have some contention.

Within a couple of days, we saw the President come out and say, "That is not acceptable. I do not like that bill." I think he went before the cardiologists' association and said he would veto it if it came to his desk.

This was bipartisan. I went to a press conference and there were some pretty right-wing Republicans at that press conference supporting this legislation.

Well, what is it that he wants? Is he telling us what he wants and how he

would like to change the McCain bill or the Dingell-Ganske bill? No. I do not get feedback in the Subcommittee on Health and Environment of the Committee on Commerce about what the President does want, so I just have to conclude he does not want anything.

In other words, the rhetoric is out there, "I want to pass this bill, and I want to do in the United States what we did in Texas," but I do not see any proposal coming from the White House to accomplish that. I do not see any effort to prioritize it.

I would venture to say that the differences on the Patients' Bill of Rights, for those who oppose it and those who are supportive, at this point are so minimal that if we sat down in this room tonight, we could work out the differences.

Mr. LARSON of Connecticut. There is no question. The compromise lies right ahead of us.

I think what frustrates the American public is they see us talking before an empty Chamber and they are wondering why the collective body is not addressing these important issues; why they just seem to linger on and on and on with no resolve.

I have a veteran from my hometown who has won three Purple Hearts whose monthly pension does not equal what he pays in terms of prescription drugs. This is what people are really seeking relief from.

I agree with the gentleman, people back home have talked passionately about a Patients' Bill of Rights. Certainly the concern is there for the uninsured that exist in this country, and the costs that our hospitals are experiencing, as well, under the Balanced Budget Act of 1997.

But invariably, the real gut level emotion that I hear from people is that they are being really hurt by the lack of a policy, the lack of a program that will allow them to have the drugs that their doctors know that they need in order to survive.

Shame on us for not continuing to move that forward. When I say "us," I mean Democrats, Republicans alike. The President, the Cabinet, all of us, we know that this is an important issue to all of them.

I think the gentleman for being one of the lone sentinels, as I said earlier, who comes down here on a regular basis and makes sure that the public understands that there are people out there that care, that there are people willing to stand up and fight for what they believe is right, and people who feel that this is a higher priority than a tax cut.

Mr. PALLONE. I thank the gentleman for the accolades. I want to thank the gentleman for being so concerned, as well.

But I have to point out, because we are here tonight but we are going to come back again, I have to point out that the President has his party in the majority in the House of Representatives, and even though it is 50-50 in the

other body, the Vice President can break the tie.

So I try to explain to my constituents that as Democrats, and I know it sounds very partisan, we do not have the ability to bring these bills up, either in committee, or we do not even have the ability to have a hearing. We certainly do not have an ability to bring the legislation to the floor.

The only thing we can do is to continue to speak out, as we have tonight, and demand action on these health care initiatives.

I know the gentleman is here tonight, and others, and we are certainly going to continue to do that, because we know this is not pie in the sky, this is important to the average person. Whether it is HMO reform, it is a prescription drug plan, or it is access for the uninsured, we have to address the issue.

I want to thank the gentleman again. I just want to repeat again, Mr. Speaker, that although I am concluding now, we are going to be back again until we see the President and the Republican leadership bringing legislation up that would address these health care concerns.

□ 2000

#### REBUTTAL COMMENTS ON HEALTH CARE, THE PRESIDENT'S SPEECH ON DEFENSE, AND ENERGY IN THE WEST

The SPEAKER pro tempore (Mr. PENCE). Under the Speaker's announced policy of January 3, 2001, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes as the designee of the majority leader.

Mr. MCINNIS. Mr. Speaker, once again I want to spend a little time with an evening chat. I want to discuss this evening a couple of issues, but first of all I will rebut a couple of the comments that were made in the last hour.

As my colleagues understand the rules on the House floor, the previous speakers were allowed to speak 1 hour unrebuted, and now I have an opportunity to speak for an hour. It was not my intent when I came over here this evening to rebut this, but some of these statements were so strong that certainly my colleagues deserve to hear what the other side of the story is.

It reminded me of a courtroom, one time in a closing argument where the statement was made that if you have ever been a parent you understand that if there is a problem between two children and you separate the children, each child comes up and tells you an entirely different version of what happened. And it is not that either child is intending to lie; it is that through the eyes of those two different children, they have seen different versions. And I think that is what happens here.

It is not necessarily between Republicans and Democrats, although clearly there is a line drawn between the moderate and conservatives versus the liberal side of the Democratic party, but

I think what we heard in the preceding hour certainly reflects the more liberal side, the left side, of the Democratic Party. I do not think it is the mainstream of America, and I do not think it represents the mainstream in this body.

I mean, how many of my colleagues will turn their backs on the elderly? Give me a break. There is nobody in these Chambers that intentionally turn their backs on the elderly. That is an exact statement that was made here just a few minutes ago, that our President, through his policy, turns his back on the elderly. As strongly as I disagreed with President Clinton in the previous administration, I never accused him of turning his back on the elderly.

It is these kinds of emotionally driven comments that are really nothing but, in my opinion, an effort to have emotion drive the issue instead of facts. We cannot come to a good solution if the means to get to that solution is driven entirely on emotion. That is exactly why this country has got financial problems; it is exactly why this country got into a deficit, because time after time after time Members of this body go out, and in their leadership strategy they lead the public by emotion; and then they leave it to the other Members to try to dig out what the facts are.

We see it out in the West. We see it all the time in the West on the public lands, where emotion drives the issue, not the science of the forests, not the science of the use of the water, not the science of using dams for hydropower, but the emotion of it. All the good of a hydroelectric power plant in the West can be overcome by simply tying it to some kind of degradation of Yellowstone National Park.

So what I would say to my colleagues that just preceded me speaking is, come on, let us talk about the facts. Next time I would be happy to join those colleagues. Bring a pencil and a calculator and let us see how we are going to afford exactly what they prescribed this evening.

Of course all of us in this country are having problems with pricing on prescription drugs. Of course, everybody that I would run a survey on and asked if they would like help on their prescription drugs are going to say yes. Anytime somebody offers to help pay our obligations with others' money, not our own money, with someone else's money, well, we are happy to accept that.

The proposals that were being made this evening by these preceding speakers, they are emotional. They sound wonderful. How can you lose? Somebody else gets to pick up the tab. And by the way, anybody that says maybe we ought to do the addition, maybe we ought to figure out the bottom line, that people will pay more and that we will have the government interfering more, maybe we ought to take a look at that. But the minute we say that,

we get a comment from the left side that says, well, they are turning their backs on the elderly.

And it is some of these very same types of comments, or in my experience these types of representatives from that side of the party, that show up here and talk about how we turn our backs on education or we are ignoring the children or we do not care about this or we do not care about that. I have yet, I have yet to find one Congressman, Democrat or Republican, or independent, I have yet to find one Congressman that does not like education. I have yet to find one Congressman that intentionally or with any kind of design whatsoever turns their back on the elderly.

There are a lot of hard-working focused people in this body, none of which by the way, in my opinion, deserve to have the label put on them that they are turning their back on the elderly. And the same thing applies for the administration, this administration as well as the previous administration.

As I mentioned earlier, my disagreements with the Clinton administration were clear, and in my opinion they were very strong disagreements with the Clinton administration; but I never went to that administration and said they turned their back on the elderly or they turned their back on this or they turned their back on that.

So I think, really, in order for us to get to a solution in regards to prescription and health care in this country, we need to put some of this emotional rhetoric aside and sit down at a table. And when my colleagues come to that table, they had better bring a pencil and a calculator, because we cannot put together a wish list without figuring out, number one, who pays for it; number two, how we are going to pay for it; and, number three, what are the honest expectations of that cost.

Take a look, for example, when Social Security was first conceived back in the 1930s. It was never intended to be a full retirement. Do not kid yourself. Social Security was never intended by the people of this country to be a full retirement package. Take a look at where we are today. Today, it is an expectation. It is an entitlement program for full retirement. That is what some people expect. As a result, some of us on this floor continue to give and give and give; and yet this system now, for future generations, for our young people, and if my colleagues want to talk about somebody we need to pay attention to, look at this young generation and try to explain to them with a straight face that there is going to be Social Security dollars around.

One of our problems today is we pay out \$118,000 for people on Social Security today. For a couple we pay out \$118,000 more on average than they put in the system. Now, how does that work? It does not work very well.

Later this evening I am going to talk a little about energy. You cannot con-

tinue to tell the consumer out there that their prices are not going to increase on the demand side and pay escalating prices on the supply side. That is exactly what is happening with the kind of calculations and the figuring with these promises that are being made about health care in this country.

Of course we want to improve health care; but dadgummit, we have to be straight with constituents. We have got to be straight with the American people and tell them what it is going to cost. This does not come free. It is so easy to stand on this House floor, it is so easy to stand on this floor and make promises about things we are going to give away. We may not use the word free, but that is the implication. We will handle all the prescription care problems of this country; we can finance all the priorities of this country. Well, let me tell my colleagues, we would not have enough money in the world to finance the priorities. Because every time we would start paying out, for every five priorities out, five more would jump in. My colleagues know that, and I know that.

And when we talk about things like health care, when we talk about things like the military, when we talk about things like education, when we talk about specific projects in our districts, when we are parochial about our districts, we have an obligation to be honest about the cost. We can look at any substantial entitlement program that this government has, any one of them, pick it randomly. Any one my colleagues want to pick, I can promise that at the time it was put into place the costs that were attributed to it, this is what it is going to cost the taxpayer, those costs were minuscule as compared to the actual costs. Here is the cost they promise; here is the cost we end up with.

It is the history of a Democratic government in a body like this, because the incentive is not to be straight with the taxpayers and the citizens of this country. The temptation is to go out there and promise everything for nothing. And that is exactly the problem today we now face in California. In California, the leadership out there, the elected leadership and the appointed leadership out there promised the citizens of the State of California, look, we do not have to take any risk of exploration; let us do not allow any generation plants in this State; let us not allow people to drill in this State; let us do not encourage conservation.

Now, they did not say, let us not encourage conservation, the practice they followed discouraged conservation. Because no matter how much energy was wasted, the price did not go up. It was capped. No matter how much the electricity cost, the generators sold it, citizens did not have to worry about it, the State capped it for them. Well, that is an empty promise, in my opinion, just the same as some of the promises or commitments that were made



this evening. Those promises are empty if in the long term we do not have the dollars or the resources to provide for those.

And based on the statements I heard here in the last hour, if we stacked up the cost of those commitments or those promises that were made by these speakers, and we put it on our calculators, first of all we would have to have a calculator with a screen that long. We are talking about trillions. We are not talking about billions; we are talking about trillions of dollars. So if my colleagues can figure out how to pay for that, that is what they should do first, then make their promises second.

But what they do is they make the promise, and this is the typical program in the Federal Government, make the promise, put the program into place, then pass the cost of it on to the next generation. That is exactly what has happened here, year after year after year. You get to give out the freebies, you get to be the Santa Claus, but the next generation has to pay for it because my colleagues were clever enough in their legislation to deflect the true cost, to not admit the true cost, or to defer the true cost to some point in the future. That is why we have financial problems.

Being a Congressman does not require a lot of education. All we have to be is a citizen; we have to be a certain age. But we are not required to have a college degree. In fact, it was intentionally designed that way. The reason it was designed that way is our forefathers, justifiably and correctly, thought we wanted people from all walks of life to represent the fine people of this country. But if we could redo it, I think I would go back and say, look, every one of us ought to take business 101 or accounting 101. It ought to be a fundamental requirement before we sit in these chairs. Because what we tend to find happening is there are a lot more promises made than what are funded. Then when they are not funded, we hear comments like I just heard a half an hour ago: they are turning their backs on the elderly. And I have heard it on education: they do not care about kids; education is not a priority with them.

Again, let me point out that I do not know one Congressman, Democrat or Republican, I do not know one for which education is not a priority. It is a priority with everybody in these Chambers. So to make the statements like were made in this preceding hour, in my opinion, are totally unjustified and do not get us at all towards the kind of solution that we need to come towards in order to help bring those prescription prices within range of the average American so they not only can afford it, but they have access to it.

I want to visit about another issue before I get very deep into the subject of energy. I think the President today made a very, very significant speech to the American people. The President

talked about how since the Cold War the defense mechanisms of this country have changed. Our military status, our defense in this country, has to be very fluid. It has to change with time. There are a few facts that are very clear. Number one, it is not only the United States, China, and Russia that have nuclear capabilities. Now we have got India, we have got Pakistan, we have Israel, we have Iran, we have North Korea. I mean, the spread of nuclear weapons is a fact.

Now, no matter how many millions of barrels of oil we promise the North Koreans, they are going to continue to develop nuclear weapons. The nuclear weapon kind of shows you are the big guy on the block. There is a lot of countries that want those weapons because it gives them leverage in world negotiations. So we should not be naive and think that these countries are not going to develop these weapons. I think what we have to do is assume that in fact these countries will develop these nuclear weapons, the ones that do not already have them. In fact, the ones that have them probably will, in many cases, like with China and like with Iran, assist other countries in acquiring these nuclear weapons.

So is the answer to build more nuclear weapons? I do not think so. I think our country has adequate military supplies of our weapons. The answer is figure out a device, figure out a missile defense. How do we stop those nuclear weapons? We are not going to stop it by trying to convince these people they should not own them. Of course they are going to own them. They will do anything they can to get their hands on them. What we need to do is to convince them, look, you are going to spend a lot of money developing a nuclear weapon; you are going to take a lot of resources from your people, developing a nuclear weapon; you are going to put a lot of your scientific resources of your country into developing a nuclear weapon.

□ 2015

And guess what is going to happen, when you come to your product, your final product, i.e. that nuclear weapon, the United States and its allies will have a defense that makes that weapon useless. That is exactly what the goal of this President is. And it is a justifiable goal.

We are crazy, we are certifiably crazy if we continue to turn our face and pretend at some point in the future there is not going to be a nuclear missile headed towards this country. We are irresponsible, in dereliction of our duty if we do not now begin an aggressive effort at putting some kind of a protective shield for this Nation and this Nation's allies and friends so that when that type of an attack comes, we are prepared. And we make the ownership of these kinds of weapons, not weapons of threat or fear, we neutralize them because we have a defensive shield for those kinds of weapons.

It seems to me that it is so basic that with this threat developing out there, in consideration of the fact that we have an obligation to the generations behind us, as well as the generation ahead of us and our own generation, we have an obligation to continue to give this country the best defense that it can possibly have. You are totally disregarding your obligation as a congressman if you continue to ignore the fact that this country needs to defend against a missile attack. A lot of Americans, a lot of your constituents assume because we have NORAD space command out in Colorado Springs and we can detect a missile launch within a few seconds anywhere in the world, in fact we are so good we can track a 6-inch bolt maybe 500 miles into space. We know what is coming at us. A lot of Americans assume that once we know it, we shoot it down. That is not the truth. That is not what can occur out there.

All we can do once we detect a missile launch against the United States of America, all we can do is call up the destination site and say, hold onto your britches, you have an incoming missile.

Do we have an obligation to put up some kind of shield to defend against that? Of course we do. That is exactly the direction that the President of the United States told this country this morning. That he is prepared, that the time has changed, he is prepared to reduce our nuclear stockpiles while at the same time putting together a defensive shield.

Now some of the critics and some people who oppose the military just in general pop right up and say we do not have the technology. It is going to be too expensive. We did not have the technology when we said that we were going to put somebody on the moon. We did not have the technology when we figured out we were going to solve polio. The fact is that we can do it. Americans can put their minds to something and accomplish it.

So these people who want to criticize ought to stand aside. They do not want to take a leadership position in the defense of this country. That is fine. I do not think that everybody needs to participate, but get out of our way. Let us defend this country because I do not want to be one with tears in my eyes who has to look at my children or my grandchildren, or maybe even great grandchildren, if I am fortunate, when we are in the height of an international crisis where these missiles might be used and say to those generations behind me, I am sorry, I could have put a defense together. I could have done something to help you, but I walked away from it.

None of us want to walk away from that obligation. We all need to come together behind the President and help the President with these efforts to defend this country and to build a capacity that will allow or take away all of the leverage of all of the countries in

the world that have a nuclear weapon and they want to use it against the United States via some type of missile.

Let me move on to the other topic that I want to discuss with you this evening. That is energy. Look, we have all heard about the State of California. We know what the problem is in California, or at least we know some of the problem. Fundamentally I think every one of our constituents understands that California is running out of power. You know, it is kind of hard to feel sorry for California. California kind of adopted the not-in-my-backyard syndrome. California has promised its citizens do not worry, we will not increase your prices on energy, which means, in essence, you do not have to conserve. California has not allowed a power generation facility to be built, an electrical-generation facility to be built in their State for what, 10 years.

California has not allowed a natural gas transmission line to go through their State in California. In California you do not even dare talk about nuclear energy with their elected officials. There are a lot of people in California with the national Sierra Club whose number one priority is to take down the Glen Canyon Dam, one of the larger hydroelectric producers. There are people in California who are leading the effort to take down the dams in the Snake River or the Columbia River because they are trying to convince the population of California you can have it all and no risk. You can have it all and no cost. You can use as much as you want, it keeps on coming at the same price. We do not have to build electrical generation facilities in our State, because you can have it without it. We do not have to take risk and allow exploration of natural gas in our State. Do not worry about it.

In the meantime as this Titanic comes up on the iceberg, demand is going like this and supply is going like this. You cannot operate like that. You cannot operate an airplane when your airport is this far away, and your fuel consumption is going to get you this close. It does not work.

Despite the flowery promises, despite all of the hype that was given about California, we discovered something new. We have discovered for the first time in the history of the capitalistic market that we are going to be able to allow you to use all of the electricity you want, the price will be capped. We will deregulate. We will not have to take any kind of risks or suffer as a result of natural gas transmission lines or exploration because we have it all, and we will not have to do it in our own backyard. It is hard to find sympathy for the State of California. In fact, I have heard a lot of people say that is their problem.

Well, fortunately or unfortunately, I am here to tell you it is not all of California's problem. What is bad in many cases for California is bad for the United States of America. California, after all, is a State. It is a major State

and it is a big player. It is a huge player in the world's economy. A huge player in the economy of the United States. It is a huge player in their educational institutions. It is a huge player in their artistic institutions in California. We have a lot of fellow citizens in California who are going to suffer lots of consequences this summer as a result of the short-sightedness of a few government officials. And, frankly, suffer as a result of adopting the concept or being convinced or swayed by the concept that you can have all of the power you want without having to have a generation facility somewhere in your State.

We cannot let California die on the vine. I am sure, colleagues, like the rest of you, I will probably go back to my office this evening and have calls from people that say let them die on the vine. California brought it on themselves, let them suffer.

It is not that simple. We need to work with California. But let us look at a few of the facts. Let me say at the very beginning that there seems to be a make-believe theory out there that if we just simply conserve, our energy crisis will be resolved. Let me tell you, that is inaccurate on its face, and it is inaccurate no matter which direction they tell you it. It does not work.

Conservation is a major contributing factor that we have to put in place immediately. In fact, you know what has put more conservation in place in the last few months than in any recent time in history? It is not the government. It is not the government that put conservation into place, it is the price of energy that has put conservation into place.

I am a good example. I will use myself. I did not turn down my thermometers a year ago in my family home. We had the temperatures in our home, I live high in the Rocky Mountains of Colorado, and in the winter time all of our rooms were at 70 degrees. And in the summertime, our air conditioning, because we like cool air, although we have a lot of cool air, if during the day it got hot, we kept the air conditioning at 60 degrees.

It was not because some government brochure or some bureaucratic official said you do not have to have your rooms at 70 degrees, especially if you are not using them. Why not leave those rooms at 55 degrees so your pipes do not freeze when you are not using the rooms. It was not because some government brochure came and told me that, it was because we got our gas bill. I can assure you now in our household, anywhere in the house where there are not people, that temperature is at 55 degrees. We have not even started our air conditioning. We have not had it on one time, not that it is on a lot this time of year; but still for a day or two, we would have had it on. We have our fans running. We are trying to make plans for this summer, how do we conserve? Why, because the price stuns us.

In California, the elected officials did not have enough guts to let the prices

sting. They tried to make an artificial world out where you can continue to have as much energy as you want and not have to have your prices increased. That does not encourage conservation.

But let us say here is supply, here is demand. Conservation will go up like this. So conservation closes a gap. I brought this over, it is one of the most fascinating things that I have seen. This is where we are going with incentives in the marketplace.

A crisis drives innovation. To come up with alternative energy, this energy crisis is actually of some benefit because it will drive innovation. There are a lot of people trying to figure out how to make a better mouse trap. There are a lot of people saying we better make our air conditioning units more efficient. We can have a competitive advantage if our SUV gets better mileage.

Here is a piece of innovation here, colleagues. This is a little piece of paper. To me it looks like a little piece of tinfoil. It is laminated in a piece of plastic, and there are two wires attached to this little piece of paper. Now the person that talked to me about this little device said there is a lot of energy and movement, movement that does not have to be generated. You know to generate electricity, you have to generate movement. You do not need to generate this, this is natural movement.

□ 2030

He said, we think we can capture energy out of waves, out of waves in the ocean. He showed me this. He gave me this. I was so fascinated by it. You will not be able to see it from there. If the lights were out in the Chambers, you would see as I go like this, the light comes on. That light is on. That movement generates energy which is put into this light. But do we have the capability today to generate any kind of significant source of power as a result of this device? No. Maybe in 15 years, maybe in 10 years, maybe we would get a real break and have stuff like this available in 10 years. But we do not have it available today. But that has not slowed down the demand out there that we have for power.

In fact, I find it interesting, one of our largest age consumption groups of power is our younger generation. That is the generation of people that some of the more radical environmental groups, for example, the National Sierra Club, has never supported a water storage project in the history of their organization. It is organizations like them out there trying to convince this younger generation, you can continue to increase your demand for power, whether it is your computer, your radio or whatever, you can continue to increase demand and yet at the same time stop supply or not allow supply to expand, or take down the dams. "Don't worry, the hydro power will be replaced somewhere else." Those are fallacies. That is exactly what got California

into the jam that it is in. That is exactly what is getting the rest of us. We will be sucked down that drain as well if California goes down that drain.

Let us go over some statistics that I think are important to look at. Again remember, conservation is obviously a critical element for this solution to come together, but it is not the total answer. It is only a contributing factor to the gap in the energy supply that we have today. Let us just pull up natural gas. Consumer prices for natural gas have increased 20-fold in some parts of our country over the past year. In a 1-year period of time, the demand for natural gas has gone up 20 times.

I talked to a gas analyst who went to the different companies like General Electric that make power generation facilities that are powered by natural gas. Just the orders in place exceed the natural gas supply now available in this country. Let us go on. America's demand for natural gas is expected to rise even more dramatically than oil. Why? Because natural gas is a very clean fuel to utilize. It is a very convenient fuel to utilize.

According to the Department of Energy, by 2020, we will consume 62 percent more natural gas than we do today. Right now, an estimated 40 percent of potential gas supplies in the United States are on Federal lands that are either closed to exploration or limited by severe restrictions. Even if we find supplies of gas, moving it to the market will require an additional 38,000 miles of pipeline and 255,000 miles of transmission lines at an estimated cost of 120 to \$150 billion, just to move the gas. In some places we have plenty of gas, but that is not where the population is. You have got to move the gas to the population. Now remember, the numbers that I am going over are assuming that the American public exercises conservation. Even in consideration of the fact that you would conserve, these are still numbers you are going to face.

The problem of inadequate supply lines is illustrated by the Prudhoe Bay in Alaska. The site produces enough gas a day to meet 13 percent of America's daily consumption; but because a pipeline has not been built, the gas is pumped back into the ground. I might add, many of my colleagues have driven by gas wells where we now have the technology to capture the gas, and they burn it off or they burn it off because they do not have the capability to move the gas. They are looking for the oil. There are a lot of things we can do for efficiencies in this country, but we cannot do it by having our head in the sand and pretending that there is not a crisis, at least not as it applies to us and our price should not go up.

Let us move from natural gas.

Electricity. By the way, Vice President CHENEY gave some great remarks here in the last couple of days. Now, of course some of the more radical environmental organizations went nuts, saying, Oh, my gosh, look at what he's

demanding. He's saying that we're going to have to have I think a power plant every week for the next 20 years just to meet the demand. So what these groups are suggesting, put your head in the sand and say, It ain't so, DICK. It ain't so, Mr. Vice President.

It is so. If we are going to continue with the kind of demand that we have and remember this demand, that is not wasted power. This demand, just take a look at what the computer generation has brought onto us for demand for energy. Realistically, we are going to have to have energy in this country on an increasing production rate. So at least somebody has had enough guts to stand up and say because we have ignored this, because we have put our heads in the sand, we now have to build a bunch of power plants. We should have been building them all along.

What we need, the best energy policy and, by the way, keep in mind, the last administration had no energy policy. Our Secretary of Energy had no energy policy. Our President had no energy policy. Our Vice President had no energy policy. This new administration has come forward and a great part of the wrath that they are getting put upon them by, say, some of the environmental organizations has been brought about because this administration is saying to the American public, we need an energy policy. We need to put everything on the table.

We need to have on the table conservation, we need to have natural gas, we need to have the Arctic Wildlife Refuge. That is not to say that all of these are going to be accepted, but they have got to go on the table. And then we need to have level-headed minds from all walks of life sit down and come up with a strategy for energy for this country. That means we may add more items onto the table, or it means we may take some items off the table. But for us to prematurely eliminate sources or restrict conservation, what you do by the way with price caps, to do those kind of things does not help us develop a solid energy policy.

Let me move on to electricity. Electricity is one of our greatest challenges. As illustrated in the growing crisis in California, the Department of Energy estimates that over the next 20 years, the demand for energy in the United States will increase by 45 percent. The increasing reliance on technology has prompted our energy demands to outstrip recent projections. Some experts calculate that the demands of the Internet already consume eight to 13 percent of the electricity. If demand grows at the same pace as the last decade, we will need 1,990 new plants by 2020, or more than 90 a year just to keep pace. With conservation ideas in mind, with the current technology that we have, we are going to need to build 90 plants a year to keep pace.

What happens if you do not? Some people might say to you, Well, you

know, we can all do without a little air conditioning. We can all suffer a little more. Most people that say that really mean you can suffer a little more. We do not really mean I should be the one that suffers a little more, but you can suffer a little more.

Take a look at what these rolling blackouts will do to the State of California. California is one of the largest agricultural producers in the world. Refrigeration is a basic ingredient in order to, once you pick that crop, to store that crop, to transport that crop. Take a look at the chicken farms and the turkey farms out in California. They have tens of millions of birds out there. I had a chicken farmer tell me the other day that if their circulating fans go off this summer, if they are shut down for 20 minutes, they lose their flock of birds.

Take a look at the computer chip industry that has to have refrigerated storage. Take a look at the medical industry that has to have refrigerated capacity. Take a look at the frozen foods. You all see them, those trucks that have those little boxes up on the front of the trailer and a lot of times when the truck is parked you can hear that little engine in there idling. That is refrigerating that trailer. That will not be shut off obviously because of the shutdown of a power plant in California, but those little generating facilities take fuel. My point here is electricity is very important for us. Do not think that it is just a matter of turning off the air conditioner that is going to get us out of this crisis. The only way we are going to move out of this is we have got to build additional electrical generation.

Let me continue. Hydroelectric power generation is expected to fall sharply. Today, relicensing a power plant can take decades and cost millions. Now, even though consumers are faced with blackouts and shortages, some of the activists still want to tear out dams on the Snake River.

Let us move on to our next one. Oil. It is amazing to me how negative people have turned the word oil, as if it is some evil empire out there. They think of the J.R. Ewing of Dallas days and oil. I am telling you, everything we have in our life depends on this oil. I would like to be able to go to solar. So far, despite years and years and years and billions of dollars in research, we have not made any kind of dramatic steps forward in solar. We have got some, but we have not made the kind of steps we thought we could make to replace oil.

I hope someday oil goes the same direction that whale oil went. It used to be before the discovery of oil, we used whales for oil, before the discovery of oil in the ground. Thank goodness we stopped hunting the whales because we found a replacement product. I hope through our technology we are able to find a replacement product, but the fact is we do not have it today. The hard reality of it is we are not going to

have it next year. We are probably not going to have it for any number of years. So our reliance on oil, our dependency on oil is very significant and we all depend on it. Our clothes are made with oil. Our medicine is made with oil. Our vehicles, our ambulances, our fire trucks, our school buses, our personal vehicles all run on oil. The lights that we have. Members know what I am talking about. Take a look at any facet of life and tell me where oil is not needed. Any facet of life. It is fundamentally important. Until we find the replacement, we better face up to the reality that we have to meet the demand. You cannot just meet the demand through conservation alone.

Let us talk. Oil. In the next 20 years, America's demand for oil will increase by 33 percent, according to the Energy Information Institute. Yet as demand rises, domestic production drops. So the demand is going up and the domestic production in our country is going down. We have not had an inland refinery built in this country for 25 years. That is not how you answer an upswinging demand line. We now produce 39 percent less oil than we did in 1970.

Those of you my age and older, a little younger, can remember the crisis we had in the 1970s. Remember how this country committed that we would lessen our dependence on foreign oil, lessen it? It did not work. What happened is we continued to regulate, and I can tell you a lot of those regulations were good regulations. But we continued to discourage any kind of oil exploration in this country, and we depended on other countries because other countries were easier to extract it from because less regulations and safeguards, et cetera, et cetera, and we have become more dependent, not less dependent, upon it. We are down nearly 4 million barrels of oil a day. Unless our policies change, domestic production will continue to drop to 5.1 million barrels a day in 2020, down from 9.1 million barrels a day 30 years ago.

We are increasingly dependent on foreign governments for our oil. Back in 1973, we imported just 36 percent of our oil from overseas. Today, we import over 54 percent of those resources. The number of U.S. refineries has been cut in half since 1980. There has not been a new refinery built in this country in more than 25 years. Those are pretty startling statistics.

Let us go back very quickly to California and take a look at the California situation. We have just seen the nationwide situation. Let us look at California. No new natural gas lines in 8 years. They placed price caps on the rate that electricity providers could charge to the consumers while doing nothing to discourage demand.

□ 2045

You continue to allow demand to go up. You do not discourage it through conservation. You do not discourage it through price. What you do is allow it

to continue to go up, and you allow supply to continue to go down. When there is a cross, there is a collision. It is like two airplanes hitting in the sky. It is going to be a nasty crash. No new coal-fired plant permits in 10 years. No nuclear power plants have been built in our Nation in over 20 years. No inland refineries have been built in 26 years.

California's power capacity is down 2 percent since 1990 while demand is up 11 percent in that same period. So on one end, your supply you take it down by 2 percent. On the other end you take demand up by 11 percent and in the meantime you say to the consumer your price is capped; you do not have to worry about a price increase.

My purpose tonight is to say that this Nation needs an energy policy. It is our President, the first President now in 9 years, who has come forward and in my opinion had enough gumption to stand up, not hype, not a bunch of hype but the gumption to stand up and say maybe we ought to look at everything we are doing out here in regards to energy. Maybe, for example, we ought to look at some of the sanctions we have on oil-producing countries like Iran or some of these others. Maybe we ought to take a look and tell the people, look, we have to conserve.

Again, let me remind my colleagues, and my guess is every colleague in here has been conserving in the last few months. Why? Not because the government told them to conserve but because the price of the energy they are using has gone up tremendously. That is what is driving their conservation.

We have a President who says let us put everything on the table. Let us put conservation on the table. Let us put oil exploration on the table. Let us put ANWR, let us put transmission lines on the table, put everything on this table and then bring people to sit down at this table and let us develop an energy policy. It is an obligation, by the way, that we have; not only to ourselves but to the generation behind us and the generation ahead of us.

What do you think we are going to do? Earlier in my comments I mentioned that I said somebody said well, we turned our back on the seniors, if you do not buy their program you are turning your back on the seniors. You better talk to those seniors this summer when you have to shut off air conditioning out there in California. You better explain to those seniors out in California why you would not be a willing participant at the table in trying to come up with some kind of energy policy. You better be willing to talk to the seniors not only of California but of New York, of Oregon, of Washington, and explain to them why you did not find time to come to the table.

We have to come to this table. The President has provided the table. The President has even provided the subject of the discussion and the debate. Here are some of my ideas. Here is what I want to talk about. Now if you have a better idea, let us talk about it. Let us put it in place.

In the end, at the end of the day, the President says I need an energy policy for this country. That is good policy of its own. We, Members of this Congress, have an obligation, and I said earlier that obligation also means helping the State of California. It does not mean subsidizing the State of California. It does not mean allowing the citizens of California to continue to have their electricity or their gas or their oil at artificially low prices. What it does mean is we have to be willing to participate with California and help them get through this crisis, but California has got to step up to the plate as well. California is going to have to take a little more careful look about the not-in-my-backyard position that they have taken. California is going to have to take a little more careful look about going out to its citizens and promising them no price increases. California is going to have to take another look at not allowing refineries in their State or at least stalling the permitting process so they cannot get in there. California is going to have to take a look at not allowing a natural gas transmission line permit to go into their State or be granted in their State over such a long period of time.

This crisis, by the way, is not a crisis that is going to sink us. This is not like being in these House chambers say on December 7 or December 8 of 1941, the day after Pearl Harbor, the day after Pearl Harbor. That crisis is much more severe. This is a crisis we can resolve. This is a crisis that if we bring our heads together we can do something about it, but we are going to have to change some policy. We are going to have to change the policies of the previous administration of drifting along without an energy policy. We are going to have to adopt an energy policy. We are going to have to change the policies that you do not have to have an increase in supply to meet increasing demand.

We are going to have to educate, I think, our younger generation, work with our younger generation, and prove to them that the technologies that we have for oil exploration have improved and that if they want to continue to use power at the rate they are using power we all have to join in in finding this additional supply to meet that demand.

I think in the long run, what I hope in the long run, is that 5 years from now those of us on this House Floor can look back and say that energy problem we had back in 2001, it had some good benefits to it. The American people are now smarter about their utilization of energy. They are conserving. We have more innovation on the market. We have ways, we have alternative energy that really works similar to this one right here with the light. That is what I hope 5 years from now we look back, I hope 5 years from now we can look back, and we have SUVs, for example, that get 45 or 50 miles to the gallon instead of 12 or 15 miles to the gallon.

I think we can do it, but in order for us to do it, we have to stand up on the line. We have to come out of the foxhole. Somebody has got to be the first one out of the foxhole. To that end, I give credit to the President of the United States. He has taken a lot of heat in these last 3 or 4 weeks or maybe the last 2 or 3 months. Well, he has not been in office 3 months but a couple of months, and he has taken a lot of heat because he stood up and said we need an energy policy and, God forbid, we are going to need to explore for oil; and gosh darn, sorry about this but we are going to have to have an ability to move natural gas from one end of the country to the other end of the country.

Those are tough stands to take in a society that has become pretty used to the fact that they get the energy they need without having a generation facility inside of their home or inside of their community or even within the boundaries of their State. Times are changing.

Is it not Bob Dillon that said, times are changing? That is what is happening. Times are changing in our defense strategy and times are changing in our energy strategy. We have to pay attention to defense and we have to pay attention to energy. We have to pay attention to health care. We have to pay attention to education. Times are changing, and energy is not exempt from the change of time. Energy is not exempt from continuing demand with diminishing supply. You cannot have or continue to have diminishing supply with continuing upgrade in demand without a mid-air collision.

That is exactly what happened in California, kind of. That is exactly what is going to happen in California this summer. We are going to have a mid-air collision. Maybe we can avoid it. We probably cannot.

Let me wrap up my comments here in regards to energy by saying to all of us, especially to my colleagues from California, I have been particularly harsh this evening about what has gone on in the State of California but I am not about to abandon the State of California. You are important to us. We are important to you. But it does mean you are going to have to change your habits. It does mean that you are going to have to start to conserve. It does mean that you are going to have to stand up and tell your consumers out there that they are not going to be able to enjoy artificially low prices. They are going to have to pay.

When you have disruptions in the market you do not get the product you want, and disruptions are in the market when you artificially subsidize prices. That is what has happened out there. So we want to help our colleagues from California but for the rest of us, in our States that do not face this imminent energy crisis, we better watch out because one of these days that nasty wolf will be knocking on our door. So let us learn from the les-

sons of California. Let us figure out conservation methods that really work. Let us figure out where in a reasonable and responsible environmental fashion we can explore for additional resources for energy. We have to do it.

Let us be frank when we talk to our constituents and let them know, hey, we have to build power plants. We are going to have to have resources to do that. You are no longer going to be able to enjoy the luxury perhaps of having every room at 70 degrees. Times, they are changing. It is going to happen to us just like it has happened in California.

Let me just summarize my earlier comments in regards to the missile defense. We have left energy now. Let me just summarize my comments. It is an inherent responsibility of every Member of Congress to provide a national defense not only for the people currently here today, our generation and maybe the one behind us, but for the future generations. It is an undeniable fact that countries will continue to accumulate nuclear weapons and the capability to deliver them by missile. That is undeniable. The only way that you will be able to defend yourself against those type of horrible weapons is to have a missile shield of some type. Do not kid yourself. You are not going to be able to talk these countries out of disarming themselves. You are not going to be able, as the previous administration did or thought they could, bribe North Korea by sending them lots of oil, which by the way goes right to their military; or give them millions of dollars in foreign aid and expect these countries, on my word we are going to disassemble our nuclear weapons.

The fact is our country is going to have to disassemble nuclear weapons and any of you, by the way, who are opposed to nuclear weapons, you ought to be in support of this defensive shield. Why? There is no quicker way to make a nuclear weapon ineffective than have a shield against it. It works. We know it. You cannot disassemble a nuclear missile fast enough as you can with a missile shield once we put it in place. It makes them ineffective. That is what will break the nuclear arms race. Mark my word, that is what will break that race is the first country that is a major power that comes out with a shield that itself and their allies can use to defend themselves, that will break the nuclear arms race as we know it today in the world.

I intend to come back, I want to visit I hope later this week, certainly next week, and talk a little more about the issue of the death tax and what it has done to a lot of families in America. It looks like we are close to a tax agreement. This afternoon they have been down at the White House, Mr. Speaker, working with the administration. I hope we come together on that. I hope as we begin to put our budget together for this next year that we refrain from comments as were made in the previous speech prior to my coming up

here, refrain from the comments that the administration, for example, has turned their back on the elderly or that they do not care about education or they do not care about this or they do not care about that.

They care about it. As I mentioned earlier, I think everybody on this floor, no matter how liberal their politics are, how conservative their politics are, I think everybody on this floor, everybody on this floor cares about education; they care about the elderly; they care about health care; they care about defense. I have a list a half a mile long that we care about. Let us work together as a team. I think we can do it.

#### SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McNULTY) to revise and extend their remarks and include extraneous material:

Mr. BONIOR, for 5 minutes, today.  
Ms. NORTON, for 5 minutes, today.  
Mr. KUCINICH, for 5 minutes, today.  
Mr. GEORGE MILLER of California, for 5 minutes, today.  
Ms. DELAURO, for 5 minutes, today.  
Mr. ACEVEDO-VILÁ for 5 minutes, today.  
Ms. LEE, for 5 minutes, today.  
Mr. DAVIS of Illinois, for 5 minutes, today.  
Mrs. MINK of Hawaii, for 5 minutes, today.  
Mr. PAYNE, for 5 minutes, today.  
Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. JONES of North Carolina) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, today and May 2 and May 3.  
Mr. JONES of North Carolina, for 5 minutes, today.  
Mr. NUSSLE, for 5 minutes, today.  
Mr. HERGER, for 5 minutes, on May 2.  
Mr. WELDON of Pennsylvania, for 5 minutes, today.  
Mr. PLATTS, for 5 minutes, on May 2.

#### SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 560. An act for the relief of Rita Mirembé Revell (a.k.a. Margaret Rita Mirembé); to the Committee on the Judiciary.

#### ENROLLED BILL SIGNED

Mr. Trandahl, Clerk of the House, reported and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 256.—To extend for 11 additional months the period for which chapter 12 of

title 11 of the United States Code is reenacted. Referred to the Judiciary Jan. 30, 2001. Reported Feb. 26, 2001; Rept. 107-2. Union Calendar. Rules suspended. Passed House Feb. 28, 2001; Roll No. 17: 408-2. Received in Senate Mar. 1, 2001. Passed Senate Apr. 26, 2001.

### ADJOURNMENT

Mr. MCINNIS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 58 minutes p.m.), under its previous order, the House adjourned until tomorrow, May 2, 2001, at 9 a.m.

### EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1652. A letter from the Secretary, American Battle Monuments Commission, transmitting the Commission's FY 2000 Annual Program Performance Report; to the Committee on Government Reform.

1653. A letter from the Secretary, American Battle Monuments Commission, transmitting the Commission's revised Annual Performance Plan for FY 2002; to the Committee on Government Reform.

1654. A letter from the Chairman, Broadcasting Board of Governors, transmitting the Annual Program Performance Report on the FY 2000 Performance Plan; to the Committee on Government Reform.

1655. A letter from the Staff Director, Commission on Civil Rights, transmitting the Commission's FY 2000 Government Performance and Results Act Report; to the Committee on Government Reform.

1656. A letter from the Acting Chairman, Commodity Futures Trading Commission, transmitting the Commission's FY 2000 Performance Report; to the Committee on Government Reform.

1657. A letter from the Chairman, Defense Nuclear Facilities Safety Board, transmitting the Board's Performance Report for FY 2000; to the Committee on Government Reform.

1658. A letter from the Secretary, Department of Transportation, transmitting the 6-month report in compliance with the Inspector General Act of 1988, pursuant to 5 app; to the Committee on Government Reform.

1659. A letter from the Secretary, Department of Transportation, transmitting the Department's FY 2002 Performance Plan and FY 2000 Performance Report; to the Committee on Government Reform.

1660. A letter from the Inspector General, Department of Veterans' Affairs, transmitting the Office of Inspector General's Strategic Plan for 2001-2006; to the Committee on Government Reform.

1661. A letter from the United States Trade Representative, Executive Office of the President, transmitting the FY 2002 Performance Plan and FY 2000 Annual Performance Report; to the Committee on Government Reform.

1662. A letter from the Chairman, Federal Communications Commission, transmitting the Commission's FY 2000 Annual Program Performance Report; to the Committee on Government Reform.

1663. A letter from the Chairman, Federal Labor Relations Authority, transmitting the FY 2000 Annual Program Performance Report; to the Committee on Government Reform.

1664. A letter from the Chairman, Federal Maritime Commission, transmitting the Commission's FY 2002 Final Annual Performance Plan; to the Committee on Government Reform.

1665. A letter from the Chairman, Federal Trade Commission, transmitting the Commission's FY 2000 Performance Report; to the Committee on Government Reform.

1666. A letter from the Comptroller General, General Accounting Office, transmitting the Office's Performance and Accountability report for FY 2000 and Performance Plan for FY 2002; to the Committee on Government Reform.

1667. A letter from the Acting Administrator, General Services Administration, transmitting the Administration's FY 2000 Annual Performance Report; to the Committee on Government Reform.

1668. A letter from the Director, Holocaust Memorial Museum, transmitting the FY 2000 Annual Performance Report; to the Committee on Government Reform.

1669. A letter from the Chairman, Merit Systems Protection Board, transmitting the Board's FY 2001-FY 2006 Strategic Plan and FY 2002 Performance Plan; to the Committee on Government Reform.

1670. A letter from the Administrator, National Aeronautics and Space Administration, transmitting the Administration's FY 2000 Performance Report; to the Committee on Government Reform.

1671. A letter from the Chairman and the Acting General Counsel, National Labor Relations Board, transmitting the Board's FY 2000 Annual Program Performance Report and the FY 2002 Annual Performance Plan; to the Committee on Government Reform.

1672. A letter from the Chairman, Nuclear Regulatory Commission, transmitting the Commission's FY 2002 Budget Estimates and Performance Plan; to the Committee on Government Reform.

1673. A letter from the Attorney General, Office of the Attorney General, transmitting the FY 2000 Performance Report and FY 2002 Performance Plan; to the Committee on Government Reform.

1674. A letter from the Special Counsel, Office of Special Counsel, transmitting the Counsel's FY 2000 Annual Performance Report; to the Committee on Government Reform.

1675. A letter from the Chairman, Tennessee Valley Authority, transmitting the FY 2000 Annual Program Performance Report; to the Committee on Government Reform.

1676. A letter from the Acting Administrator, U.S. Agency for International Development, transmitting the Agency's FY 2000 Performance Overview Report; to the Committee on Government Reform.

1677. A communication from the President of the United States, transmitting a letter in support of legislation to extend the window created under section 245 (i) of the Immigration and Nationality Act during which qualified immigrants may obtain legal residence in the United States without being forced to first leave the country and their families for several years; (H. Doc. No. 107-62); to the Committee on the Judiciary and ordered to be printed.

1678. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's Twenty-Third Annual Report to Congress pursuant to section 7A of the Clayton Act, pursuant to 15 U.S.C. 18a(j); to the Committee on the Judiciary.

1679. A letter from the Secretary, Department of Health and Human Services, transmitting the seventh annual report entitled, "Monitoring the Impact of Medicare Physician Payment Reform on Utilization and Access"; jointly to the Committees on Ways and Means and Energy and Commerce.

### REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. THOMAS: Committee on Ways and Means. H.R. 10. A bill to provide for pension reform, and for other purposes; with an amendment (Rept. 107-51 Pt. 1).

Mr. BOEHNER: Committee on Education and the Workforce. H.R. 10. A bill to provide for pension reform, and for other purposes; with an amendment (Rept. 107-51 Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. REYNOLDS: Committee on Rules. House Resolution 127. Resolution providing for consideration of the bill (H.R. 10) to provide for pension reform, and for other purposes (Rept. 107-53). Referred to the House Calendar.

### REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 2 of rule XII, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. OXLEY: Committee on Financial Services. H.R. 1088. A bill to amend the Securities Exchange Act of 1934 to reduce fees collected by the Securities and Exchange Commission, and for other purposes, with an amendment; referred to the Committee on Government Reform for a period ending not later than May 2, 2001, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(h), rule X. (Rept. 107-52, Pt. 1).

### PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BARTON of Texas:

H.R. 1647. A bill to provide for electricity emergencies; to the Committee on Energy and Commerce, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. UPTON (for himself and Mr. TOWNS):

H.R. 1648. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to assure access to covered emergency hospital services and emergency ambulance services under a prudent layperson test under group health plans and health insurance coverage; to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS (for himself and Mr. KUCINICH):

H.R. 1649. A bill to provide grants to States to establish, expand, or enhance prekindergarten programs for children who are not yet enrolled in kindergarten; to the Committee on Education and the Workforce.

By Mr. GEORGE MILLER of California (for himself, Mr. GILMAN, Mr. SANDERS, Mr. KILDEE, Mrs. MORELLA, Mr. SCOTT, and Mrs. DAVIS of California):



H.R. 1650. A bill to establish the Child Care Provider Retention and Development Grant Program and the Child Care Provider Scholarship Program; to the Committee on Education and the Workforce.

By Mr. ANDREWS:

H.R. 1651. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income health care subsidy payments made to employers by local governments on behalf of volunteer firefighters; to the Committee on Ways and Means.

By Mr. COLLINS:

H.R. 1652. A bill to amend the Internal Revenue Code of 1986 to reduce the amount of the earned income credit; to the Committee on Ways and Means.

By Mr. GONZALEZ:

H.R. 1653. A bill to direct the Secretary of Education to conduct a study to determine the best means of developing a national standard by which to measure the rate at which students drop out of secondary schools in the United States, and for other purposes; to the Committee on Education and the Workforce.

By Mr. GREEN of Wisconsin:

H.R. 1654. A bill to provide for the conveyance of certain National Forest System lands to the towns of Laona and Wabeno, Wisconsin; to the Committee on Agriculture.

By Mr. GREEN of Wisconsin (for himself, Mr. LANTOS, Mr. SOUDER, Mr. WATKINS, and Mr. GORDON):

H.R. 1655. A bill to amend title 18, United States Code, to punish the placing of sexual explicit photographs on the Internet without the permission of the persons photographed; to the Committee on the Judiciary.

By Mr. GREENWOOD (for himself, Mr. MCCRERY, Mr. TOWNS, Mr. FOLEY, Mr. McDERMOTT, Mr. ACEVEDO-VILA, Mr. RANGEL, and Mr. SERRANO):

H.R. 1656. A bill to amend title XVIII of the Social Security Act to increase payments under the Medicare Program to Puerto Rico hospitals; to the Committee on Ways and Means.

By Mr. HERGER (for himself, Mr. MATSUI, Mr. FOLEY, Mr. RAMSTAD, Mrs. THURMAN, Mr. JONES of North Carolina, and Mr. PETERSON of Minnesota):

H.R. 1657. A bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from biomass, and for other purposes; to the Committee on Ways and Means.

By Mr. HILL:

H.R. 1658. A bill to eliminate the Federal quota and price support programs for Burley tobacco, to compensate quota holders for the lost quota value, to provide transition payments to producers of Burley tobacco, and to provide assistance to communities adversely affected by the elimination of the quota and price support programs; to the Committee on Agriculture.

By Mr. HOUGHTON (for himself and Mr. HALL of Ohio):

H.R. 1659. A bill to amend the Internal Revenue Code of 1986 to clarify the amount of the charitable deduction allowable for contributions of food inventory, and for other purposes; to the Committee on Ways and Means.

By Ms. EDDIE BERNICE JOHNSON of Texas (for herself, Mr. FROST, Mr. MCGOVERN, Mrs. MEEK of Florida, Mr. SANDLIN, Mr. HASTINGS of Florida, Mr. BOUCHER, Mr. RODRIGUEZ, Mr. MEEKS of New York, Mrs. CHRISTENSEN, Mrs. JONES of Ohio, Ms. CARSON of Indiana, Ms. LEE, Mr. RANGEL, Mr. BACA, Mr. ETHERIDGE, Mr. OWENS, Mr. CUMMINGS, Ms. WOOLSEY, and Ms. KILPATRICK):

H.R. 1660. A bill to develop a demonstration program through the National Science

Foundation to encourage interest in the fields of mathematics, science, and information technology; to the Committee on Science, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. GEORGE MILLER of California (for himself and Mr. WALDEN of Oregon):

H.R. 1661. A bill to extend indefinitely the authority of the States of Washington, Oregon, and California to manage a Dungeness crab fishery until the effective date of a fishery management plan for the fishery under the Magnuson-STEVENS Fishery Conservation and Management Act; to the Committee on Resources.

By Mr. GEORGE MILLER of California (for himself, Mr. PALLONE, Mr. RAHALL, Mr. KILDEE, Mr. HAYWORTH, Mr. WAXMAN, Mr. OBERSTAR, Mr. FILNER, Mr. BONIOR, Mrs. MINK of Hawaii, Mr. CARSON of Oklahoma, Mr. LARSEN of Washington, Mr. McDERMOTT, Ms. LEE, Ms. MILLENDER-McDONALD, Mr. BACA, Mr. ABERCROMBIE, Mrs. BONO, Mr. KIND, Mr. FRANK, Mr. STUPAK, Mr. FROST, Mr. KENNEDY of Rhode Island, Mr. UDALL of New Mexico, Mr. INSLEE, Mr. NETHERCUTT, Mr. BALDACCIO, Mr. FALEOMAVAEGA, Mr. BLUMENAUER, Ms. LOFGREN, Mr. LANTOS, Mr. JEFFERSON, Mr. CANNON, Mr. CONDIT, Mr. TOWNS, Mr. BLAGOJEVICH, Mr. TAYLOR of North Carolina, Mr. WATKINS, Mr. ALLEN, Mrs. NAPOLITANO, Mr. HINCHAY, Ms. MCCOLLUM, Mr. UDALL of Colorado, Mr. LUCAS of Oklahoma, Mr. CAMP, Ms. KILPATRICK, and Mr. HONDA):

H.R. 1662. A bill to improve the implementation of the Federal responsibility for the care and education of Indian people by improving the services and facilities of Federal Indian health programs and encouraging maximum participation of Indians in such programs, and for other purposes; to the Committee on Resources, and in addition to the Committees on Energy and Commerce, Ways and Means, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MOAKLEY:

H.R. 1663. A bill to amend the Public Health Service Act, the Employee Retirement Income Security Act of 1974, and the Internal Revenue Code of 1986 to extend the basic period for health care continuation from 18 months to 5 years; to the Committee on Energy and Commerce, and in addition to the Committees on Education and the Workforce, and Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. OSE:

H.R. 1664. A bill to authorize the Secretary of the Interior or the Secretary of the Army to waive any restriction on operation of any of certain Bureau of Reclamation facilities or Corps of Engineers facilities, respectively, as necessary to address an emergency electric power shortage declared by the Governor of a State to which power from that facility can be transmitted; to the Committee on Resources, and in addition to the Committee on Transportation and Infrastructure, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PAUL:

H.R. 1665. A bill to prohibit the destruction during fiscal year 2002 of intercontinental ballistic missile silos in the United States; to the Committee on Armed Services.

By Mr. QUINN:

H.R. 1666. A bill to establish a uniform closing time for the operation of polls on the date of the election of the President and Vice President; to the Committee on House Administration.

By Ms. RIVERS:

H.R. 1667. A bill to amend the Solid Waste Disposal Act to require a refund value for certain beverage containers, to provide resources for State pollution prevention and recycling programs, and for other purposes; to the Committee on Energy and Commerce.

By Mr. ROEMER (for himself, Mr. DELAHUNT, Mr. HOUGHTON, Mr. OLVER, Mr. NEAL of Massachusetts, Mr. MCGOVERN, Mr. FRANK, Mr. MEEHAN, Mr. TIERNEY, Mr. MARKEY, Mr. CAPUANO, Mr. MOAKLEY, Mr. GREENWOOD, Mrs. JOHNSON of Connecticut, Mr. SOUDER, Mr. KIND, and Mrs. CHRISTENSEN):

H.R. 1668. A bill to authorize the Adams Memorial Foundation to establish a commemorative work on Federal land in the District of Columbia and its environs to honor former President John Adams and his family; to the Committee on Resources.

By Mr. THOMPSON of California (for himself, Mr. LEWIS of California, Mr. BACA, Mr. BERMAN, Mrs. BONO, Mr. CALVERT, Mr. CONDIT, Mr. CUNNINGHAM, Mrs. DAVIS of California, Mr. DOOLITTLE, Mr. DREIER, Mr. FILNER, Ms. HARMAN, Mr. HERGER, Mr. HONDA, Mr. HORN, Mr. HUNTER, Mr. INSLEE, Mr. ISSA, Ms. LOFGREN, Mr. GEORGE MILLER of California, Mrs. NAPOLITANO, Mr. OSE, Mr. RADANOVICH, Ms. SANCHEZ, Mr. SHERMAN, Mrs. TAUSCHER, Mr. WAXMAN, Ms. WOOLSEY, Mr. MATSUI, Ms. PELOSI, Mr. BLUMENAUER, Mr. SCHIFF, Mrs. CAPPS, Mr. LANTOS, Ms. WATERS, Ms. LEE, Ms. ESHOO, Mr. THOMAS, Mr. FARR of California, and Mr. McKEON):

H.R. 1669. A bill to provide incentives to encourage private sector efforts to reduce earthquake losses, to establish a national disaster mitigation program, and for other purposes; to the Committee on Ways and Means, and in addition to the Committees on Financial Services, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. VITTER (for himself, Mr. CRANE, and Mr. MCCRERY):

H.R. 1670. A bill to amend the Internal Revenue Code of 1986 to allow certain coins to be acquired by individual retirement accounts and other individually directed pension plan accounts; to the Committee on Ways and Means.

By Ms. DeLAURO (for herself, Mrs. LOWEY, Ms. ROYBAL-ALLARD, Ms. KAPTUR, Mr. HINCHAY, Mr. BROWN of Ohio, Mr. KILDEE, Mr. LIPINSKI, Ms. PELOSI, Mr. LANTOS, Mrs. JONES of Ohio, Mrs. CHRISTENSEN, Mr. MCGOVERN, Mr. SERRANO, Ms. McKINNEY, Mr. ROEMER, Mr. WEINER, Ms. SCHAKOWSKY, Mr. WEXLER, Mr. McDERMOTT, Mr. RANGEL, Mr. GUTIERREZ, and Mr. FALEOMAVAEGA):

H.R. 1671. A bill to consolidate in a single independent agency in the executive branch the responsibilities regarding food safety, labeling, and inspection currently divided among several Federal agencies; to the Committee on Agriculture, and in addition to the

Committee on Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. CARSON of Indiana:

H.J. Res. 46. A joint resolution proposing an amendment to the Constitution of the United States relating to incarceration for minor traffic offenses; to the Committee on the Judiciary.

By Mr. HOEKSTRA (for himself, Mr. WELDON of Pennsylvania, Mr. GEKAS, Ms. PELOSI, Mr. EHLERS, Mr. UPTON, Ms. KILPATRICK, Ms. RIVERS, Mrs. JO ANN DAVIS of Virginia, Mr. HOEFFEL, Mr. FLAKE, Mr. LEVIN, Mr. BALLENGER, Mr. SCHAFER, Mr. SMITH of Michigan, Mr. BLUMENAUER, Mr. KNOLLENBERG, Mr. WATTS of Oklahoma, Mr. PITTS, Mr. CAMP, Mr. OSE, Mr. SOUDER, Mr. MICA, Mr. DAVIS of Florida, Mr. BEREUTER, Mr. TANCREDO, and Mr. CANTOR):

H. Con. Res. 117. Concurrent resolution expressing sympathy to the family, friends, and co-workers of Veronica "Roni" Bowers and Charity Bowers; to the Committee on International Relations. considered and agreed to.

By Ms. BERKLEY (for herself, Ms. ROSELEHTNEN, Mr. FROST, Ms. DELAURO, Mrs. LOWEY, Mr. ACKERMAN, Ms. SLAUGHTER, Mr. CANTOR, Mr. PALLONE, Mr. DELAHUNT, Mr. TOWNS, Mrs. JONES of Ohio, Mrs. NAPOLITANO, Mr. WEINER, Mr. MOORE, Mr. WEXLER, Ms. BALDWIN, Mrs. MALONEY of New York, Mr. MCDERMOTT, Mr. CARDIN, Mr. HOLDEN, Mr. MCNULTY, Mr. BERMAN, Mrs. MCCARTHY of New York, Ms. MCCARTHY of Missouri, Mr. ENGEL, Mr. KIRK, Mr. GUTIERREZ, Mr. LEVIN, Mr. GONZALEZ, Ms. NORTON, Mr. LANGEVIN, Mr. NADLER, Mrs. MINK of Hawaii, Mr. KUCINICH, Ms. MCKINNEY, Mr. HONDA, Mr. HINCHEY, Mr. HOEFFEL, Mr. CROWLEY, Mr. SCHIFF, Mr. HASTINGS of Florida, Mr. DEUTSCH, Mrs. MORELLA, Mr. NEAL of Massachusetts, Mr. ABERCROMBIE, Ms. WOOLSEY, Mr. HOLT, Mr. FILNER, Ms. SOLIS, Mr. MATHESON, Ms. KILPATRICK, Mr. MATSUI, Mrs. CAPPS, Mr. GIBBONS, Mr. FOLEY, Mr. FRANK, and Mr. MCGOVERN):

H. Con. Res. 118. Concurrent resolution urging the return of portraits painted by Dina Babbitt during her internment at Auschwitz that are now in the possession of the Auschwitz-Birkenau State Museum; to the Committee on International Relations.

By Mr. CRANE:

H. Con. Res. 119. Concurrent resolution expressing the sense of the Congress with respect to the right of all Americans to keep and bear arms in defense of life or liberty and in the pursuit of all other legitimate endeavors; to the Committee on the Judiciary.

By Mr. GREEN of Wisconsin (for himself, Ms. SANCHEZ, Mr. SCHAFER, and Mr. HEFLEY):

H. Con. Res. 120. Concurrent resolution Expressing the sense of the Congress that Social Security reform measures should not force State and local government employees into Social Security coverage; to the Committee on Ways and Means.

By Mr. HOEFFEL (for himself, Mr. ENGEL, Mr. PLATTS, Mr. TANCREDO, Ms. KAPTUR, Mr. SHERMAN, and Mr. ABERCROMBIE):

H. Con. Res. 121. Concurrent resolution expressing the sense of Congress that the United States Government should conduct a policy review of its relations with the People's Republic of China; to the Committee on International Relations.

By Ms. DELAURO (for herself, Mr. ACKERMAN, Mr. ALLEN, Mr. BALDACCIO, Ms. BALDWIN, Mr. BARRETT, Mr. BENTSEN, Ms. BERKLEY, Mr. BERMAN, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BISHOP, Mr. BLAGOJEVICH, Mr. BONIOR, Ms. BROWN of Florida, Mr. BROWN of South Carolina, Mrs. CAPPS, Mrs. CHRISTENSEN, Mrs. CLAYTON, Mr. CROWLEY, Mr. CUMMINGS, Mr. DAVIS of Illinois, Mrs. DAVIS of California, Mr. DEFAZIO, Mr. DELAHUNT, Mr. ENGEL, Ms. ESHOO, Mr. FORD, Mr. FRANK, Mr. FROST, Mr. GREEN of Texas, Mr. HILLIARD, Mr. HINCHEY, Ms. HOOLEY of Oregon, Mr. HORN, Ms. JACKSON-LEE of Texas, Ms. KAPTUR, Mr. KILDEE, Ms. KILPATRICK, Mr. KUCINICH, Mr. LANGEVIN, Mr. LANTOS, Ms. LEE, Ms. LOFGREN, Mrs. LOWEY, Mr. LUTHER, Mrs. MALONEY of New York, Mr. MATSUI, Ms. MCCARTHY of Missouri, Mr. MCDERMOTT, Mr. MCGOVERN, Ms. MCKINNEY, Mr. MCNULTY, Mr. MEEHAN, Mrs. MEEK of Florida, Ms. MILLENDER-MCDONALD, Mrs. MINK of Hawaii, Mrs. MORELLA, Mr. NADLER, Mrs. NAPOLITANO, Ms. NORTON, Mr. OBERSTAR, Mr. OLVER, Mr. PAYNE, Ms. PELOSI, Mr. RANGEL, Ms. RIVERS, Mr. RUSH, Ms. SANCHEZ, Mr. SANDERS, Ms. SCHAKOWSKY, Mr. SCHIFF, Mr. SHOWS, Ms. SLAUGHTER, Mr. STARK, Mr. STUPAK, Mrs. THURMAN, Mrs. JONES of Ohio, Mr. WATT of North Carolina, Mr. WAXMAN, Mr. WEXLER, Ms. WOOLSEY, and Mr. WYNN):

H. Res. 128. A resolution recognizing the unique effects that proposals to reform Social Security may have on women; to the Committee on Ways and Means.

## MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

30. The SPEAKER presented a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 103 memorializing the United States Congress to request the President to impose a moratorium on the roadless regulations pending careful review and study; to the Committee on Agriculture.

31. Also, a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 107 memorializing the United States Congress to support a moratorium on all imports of live cattle, precooked beef, all beef products, and potentially contaminated feed ingredients for a period of three years or until importers can prove that the meat, live animals and feed ingredients are free of Bovine Spongiform Encephalopathy for the protection of the United States cattle industry; to the Committee on Agriculture.

32. Also, a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 108 memorializing the United States Congress to enact legislation that mandates country of origin labeling for meat, and to require that products labeled "U.S. Produced" be born, raised and processed completely in the United States; to the Committee on Agriculture.

33. Also, a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 109 memorializing the United States Congress to support safeguards to prevent movement of Foot and Mouth Disease on persons, on other animals not directly susceptible to the virus but which could be passive carriers, and on inanimate objects; and we support a moratorium on all imports of cloven-hoofed animals and products thereof, for a period of three years or until importers can prove that cloven-hoofed animals

and products thereof are free of Foot and Mouth Disease for the protection of the American livestock owners; to the Committee on Agriculture.

34. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to Resolution 68 memorializing the United States Congress to enact H.R. 20, that was introduced on January 3, 2001, and that modifies provisions of the Clean Air Act, regarding the oxygen content of reformulated gasoline and improves the regulation of the fuel additive methyl tertiary butyl ether (MTBE); to the Committee on Energy and Commerce.

35. Also, a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 102 memorializing the United States Congress to respectfully request that the President refuse to designate the requested Owyhee-Bruneau Canyonlands National Monument without prior consultation with the Governor of Idaho, the State Land Board, the Idaho Legislature, and local government officials in Owyhee County, and without subjecting the request to public review and input; to the Committee on Resources.

36. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to Resolution 144 memorializing the United States Congress to call on the City of Philadelphia to erect and maintain flashing warning lights in front of every elementary school building; to the Committee on Transportation and Infrastructure.

37. Also, a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 106 memorializing the United States Congress to request that President direct the Office of the U.S. Trade Representative and the Secretary of Commerce to make the problem of subsidized Canadian lumber imports a top priority; to the Committee on Ways and Means.

38. Also, a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 105 memorializing the United States Congress to enact legislation enacting pilot projects such as those recommended in the report submitted to the Idaho Board of Land Commissioners entitled, "Breaking the GridLock: Federal Lands Pilot Projects in Idaho."; jointly to the Committees on Agriculture and Resources.

39. Also, a memorial of the Legislature of the State of Idaho, relative to Senate Joint Memorial 104 memorializing the United States Congress in the interest of protecting the integrity and posterity of our forest and wild lands, wildlife habitat, watershed, air quality, human health and safety, and private property, the U.S. Forest Service and other federal land management agencies must immediately implement a cohesive strategy to reduce the overabundance of forest fuels that place these resources at high risk of catastrophic wildfire; jointly to the Committees on Agriculture and Resources.

40. Also, a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to Resolution 149 memorializing the United States Congress to urge the President of the United States, the Department of the Interior and the Environmental Protection Agency and the Governor to immediately implement the safe and effective cleanup of this fuel-oil spill in order to protect the health and welfare of the affected citizens of Hazleton, Pennsylvania; jointly to the Committees on Energy and Commerce and Transportation and Infrastructure.

## ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

- H.R. 10: Mr. TOM DAVIS of Virginia, Mr. VITTER, Mr. REYES, Mr. BROWN of South Carolina, Mr. MORAN of Virginia, and Mr. BROWN of Ohio.
- H.R. 12: Mr. TRAFICANT, Mr. HONDA, Mr. SMITH of Washington, Mr. RADANOVICH, and Mrs. MORELLA.
- H.R. 13: Mr. FILNER.
- H.R. 17: Mr. CRAMER, Mr. JOHNSON of Illinois, and Mr. BISHOP.
- H.R. 28: Ms. PELOSI and Mr. LUTHER.
- H.R. 31: Mr. BROWN of South Carolina, Mrs. CUBIN, and Mr. HASTINGS of Washington.
- H.R. 41: Mr. TANCREDO, Mr. FARR of California, Mr. WAMP, Mr. CHAMBLISS, and Mr. BERMAN.
- H.R. 61: Mr. KENNEDY of Rhode Island.
- H.R. 81: Mr. HEFLEY.
- H.R. 87: Mr. MCGOVERN and Ms. LEE.
- H.R. 122: Mrs. BONO, Mr. MILLER of Florida, Mr. BRYANT, Mr. SAXTON, Mr. RAMSTAD, Mr. LEWIS of Kentucky, Mrs. EMERSON, Mr. GREEN of Wisconsin, Mr. HUTCHINSON, Mr. LINDER, Mr. DEMINT, Mrs. WILSON, Mr. SPENCE, and Mr. GALLEGLEY.
- H.R. 133: Mr. BERMAN.
- H.R. 162: Mrs. DAVIS of California, Mr. MICA, Mr. GONZALEZ, Mr. HONDA, Ms. MILLINDER-MCDONALD, Mrs. THURMAN, and Mr. COYNE.
- H.R. 168: Mr. ROHRABACHER.
- H.R. 184: Ms. SANCHEZ.
- H.R. 218: Mr. SESSIONS, Mr. CHAMBLISS, Mr. STUMP, Mr. CANTOR, Mr. RAMSTAD, and Mrs. THURMAN.
- H.R. 239: Mr. BEREUTER and Mr. LANGEVIN.
- H.R. 268: Mr. BERMAN.
- H.R. 280: Mr. WAMP and Mr. HILLEARY.
- H.R. 281: Mr. JONES of North Carolina and Mr. MCGOVERN.
- H.R. 303: Ms. WATER, Mr. QUINN, Mr. BENTSEN, Mr. HOBSON, Mr. ADERHOLT, Mr. TIBERI, and Mr. WELDON of Pennsylvania.
- H.R. 326: Mr. TIERNEY.
- H.R. 331: Mr. CAMP, Mr. STENHOLM, and Mr. RYUN of Kansas.
- H.R. 337: Mr. GREEN of Wisconsin.
- H.R. 340: Mr. BOUCHER.
- H.R. 345: Mr. WU.
- H.R. 356: Mr. SCHROCK, Mr. HOSTETTLER, and Mr. FALEOMAVAEGA.
- H.R. 419: Mrs. MEEK of Florida.
- H.R. 429: Mr. FARR of California.
- H.R. 436: Mr. CUNNINGHAM, Mr. GANSKE, Mr. GREEN of Wisconsin, Mr. LATOURETTE, Mr. BONIOR, Mr. MORAN of Kansas, Mr. JONES of North Carolina, Mr. COSTELLO, and Mr. MCINNIS.
- H.R. 439: Mr. CRAMER.
- H.R. 440: Mr. ALLEN, Ms. SANCHEZ, Mr. FALEOMAVAEGA, Mr. GUTIERREZ, Mr. CONYERS, and Mr. NEAL of Massachusetts.
- H.R. 441: Mr. CUNNINGHAM and Mrs. DAVIS of California.
- H.R. 456: Mr. GOODE and Mr. PENCE.
- H.R. 458: Mr. RYUN of Kansas.
- H.R. 476: Mr. WAMP.
- H.R. 500: Mr. GILMAN.
- H.R. 506: Mr. JACKSON of Illinois.
- H.R. 526: Mr. FARR of California, Mr. ACKERMAN, Mrs. MALONEY of New York, Ms. RIVERS, Mr. EDWARDS, Mr. COSTELLO, Ms. BROWN of Florida, Ms. BALDWIN, and Mr. LANGEVIN.
- H.R. 527: Mr. CLEMENT and Mr. ADERHOLT.
- H.R. 544: Mr. BERMAN.
- H.R. 572: Ms. SANCHEZ and Mr. PASCRELL.
- H.R. 582: Mr. HOLT.
- H.R. 586: Mr. LANGEVIN, Mr. WAMP, Mr. WYNN, and Mrs. NORTUP.
- H.R. 591: Mr. ABERCROMBIE.
- H.R. 599: Mr. HONDA.
- H.R. 600: Mr. REHBERG, Mr. BLAGOJEVICH, Mr. COYNE, Mr. BURR of North Carolina, and Mrs. MORELLA.
- H.R. 602: Mr. ISRAEL.
- H.R. 606: Mr. WYNN and Ms. KILPATRICK.
- H.R. 612: Mr. ROSS, Mr. REHBERG, Mr. CLEMENT, and Mr. ROGERS of Michigan.
- H.R. 632: Mr. SIMMONS, Mr. OLVER, Mr. REYES, and Mr. MOORE.
- H.R. 653: Mr. BLAGOJEVICH.
- H.R. 665: Mr. ACKERMAN.
- H.R. 671: Mr. LANTOS, Mr. EVANS, Mr. NADLER, Ms. SOLIS, and Ms. SCHAKOWSKY.
- H.R. 686: Mrs. THURMAN, Ms. SANCHEZ, and Mr. JACKSON of Illinois.
- H.R. 693: Mr. PAYNE, Mr. ABERCROMBIE, and Mr. DAVIS of Illinois.
- H.R. 701: Mr. EHRLICH.
- H.R. 704: Mr. PAUL.
- H.R. 718: Mr. RAMSTAD and Mr. GIBBONS.
- H.R. 730: Mr. NEAL of Massachusetts and Mr. HINCHEY.
- H.R. 737: Mr. PASCRELL and Mr. NORWOOD.
- H.R. 742: Ms. WOOLSEY and Mr. STARK.
- H.R. 755: Mrs. BIGGERT, Mr. LANTOS, Ms. BERKLEY, Mr. WYNN, and Mr. ISRAEL.
- H.R. 786: Mr. FILNER.
- H.R. 804: Mr. JEFFERSON.
- H.R. 817: Mr. BONIOR.
- H.R. 824: Mr. LUCAS of Kentucky and Mr. FOLEY.
- H.R. 826: Mr. LUCAS of Kentucky.
- H.R. 827: Mr. CRAMER.
- H.R. 829: Mr. JACKSON of Illinois.
- H.R. 832: Mr. HEFLEY and Mr. MCHUGH.
- H.R. 853: Ms. SANCHEZ.
- H.R. 854: Mr. FILNER, Mr. SCHROCK, Mr. HALL of Texas, Mr. RUSH, Mr. BACA, Mr. PRICE of North Carolina, Ms. ESHOO, Mr. WAXMAN, Mr. DOOLEY of California, Mr. FRANK, Mr. GREEN of Texas, Mrs. BONO, Mr. MCINTYRE, Mr. MOORE, Mrs. TAUSCHER, Mr. FARR of California, Ms. PELOSI, and Mr. CRAMER.
- H.R. 868: Mr. SPENCE, Mr. CALLAHAN, Mr. GANSKE, Ms. WOOLSEY, Mr. TIERNEY, Mr. DEFAZIO, Mr. HEFLEY, Ms. MCKINNEY, Mr. BOEHNER, Mr. JOHNSON of Illinois, Mr. ADERHOLT, Ms. HOOLEY of Oregon, Mr. SKELTON, Mr. CANTOR, Mr. MCINNIS, Mr. HUTCHINSON, Ms. MCCARTHY of Missouri, Mr. BRYANT, Mr. MORAN of Kansas, and Mrs. NORTUP.
- H.R. 875: Mr. LANGEVIN, Ms. WOOLSEY, Mr. BAIRD, and Mr. BERMAN.
- H.R. 876: Mr. MOORE, Ms. DUNN, Mr. FROST, Mr. BECERRA, Mr. ABERCROMBIE, Mrs. CAPPS, Mr. EHLERS, Mrs. BONO, Mr. GREEN of Texas, Mr. OLVER, Mr. SCOTT, Mr. PAUL, Mr. STRICKLAND, Mrs. JONES of Ohio, Mr. LARGENT, Ms. RIVERS, Mr. RODRIGUEZ, Mr. CUMMINGS, and Ms. BALDWIN.
- H.R. 877: Mr. PLATTS, Mr. BLUNT, and Mr. PUTNAM.
- H.R. 899: Ms. SANCHEZ.
- H.R. 914: Mr. PAUL.
- H.R. 921: Mr. HAYWORTH, Mr. RAMSTAD, Mr. FROST, Mr. LANTOS, Mr. TANCREDO, and Mr. BENTSEN.
- H.R. 945: Mr. FRANK.
- H.R. 952: Mr. EVANS, Mr. LEVIN, and Ms. SANCHEZ.
- H.R. 954: Mr. LARSEN of Washington, Mr. HASTINGS of Washington, Mr. MCGOVERN, Mr. FILNER, Ms. HOOLEY of Oregon, Mr. DEFAZIO, and Mr. KENNEDY of Rhode Island.
- H.R. 972: Mr. BACA, Mr. RUSH, Mr. BALDACCI, Mr. LANGEVIN, Mr. CLAY, Mr. FROST, and Mr. KILDEE.
- H.R. 978: Mr. SHERMAN.
- H.R. 995: Mr. CANNON.
- H.R. 996: Mr. CANNON.
- H.R. 1001: Mr. FRANK, Mr. BOUCHER, and Mr. TOWNS.
- H.R. 1011: Mr. LARSON of Connecticut, Mr. KILDEE, Mr. GALLEGLEY, Mrs. MORELLA, and Mr. TANNER.
- H.R. 1013: Mr. SOUDER, Mr. CHAMBLISS, Mr. NORWOOD, Mr. KINGSTON, Mr. COLLINS, Mr. LINDER, and Ms. SANCHEZ.
- H.R. 1017: Mr. KELLER.
- H.R. 1030: Mr. PRICE of North Carolina, Mr. LEWIS of Kentucky, Mr. SWEENEY, Mr. WAMP, and Mr. SMITH of Michigan.
- H.R. 1043: Mr. RUSH.
- H.R. 1073: Mr. LAMPSON, Ms. SANCHEZ, Mr. SPENCE, Ms. MCCOLLUM, Mr. WATT of North Carolina, Mr. GREEN of Texas, Mr. MOLLOHAN, Mr. BROWN of Ohio, Mr. EDWARDS, and Mrs. DAVIS of California.
- H.R. 1076: Mr. WYNN.
- H.R. 1079: Mr. FLETCHER.
- H.R. 1086: Mr. MCGOVERN.
- H.R. 1089: Ms. RIVERS.
- H.R. 1090: Mrs. THURMAN, Mr. ABERCROMBIE, Mr. CRAMER, Mr. SIMPSON, Mr. SCHIFF, Mr. FROST, Mr. SHIMKUS, and Mr. WAMP.
- H.R. 1092: Mr. EHRLICH, Mr. HOLDEN, Mrs. MINK of Hawaii, Mr. GORDON, and Mr. SANDERS.
- H.R. 1097: Mr. PLATTS, Mr. INSLEE, Ms. RIVERS, Mr. PASCRELL, and Mr. SAWYER.
- H.R. 1100: Mr. DELAY.
- H.R. 1109: Mr. MCKEON, Mr. HASTINGS of Washington, Mr. HAYWORTH, Mr. BEREUTER, and Mr. DELAY.
- H.R. 1119: Mr. BONIOR.
- H.R. 1136: Mr. HINOJOSA, Mr. RUSH, Mr. WELLER, and Ms. WATERS.
- H.R. 1143: Mr. PAYNE, Ms. DELAUNO, and Mr. LAFALCE.
- H.R. 1170: Mr. KILDEE.
- H.R. 1172: Mr. SCHIFF, Mr. WAXMAN, Mr. SNYDER, Mr. PUTNAM, Mr. VITTER, Mr. HOFFEL, Mr. PICKERING, Mr. ETHERIDGE, Mr. ROGERS of Kentucky, Mr. PITTS, Mr. COLLINS, and Mr. HOLT.
- H.R. 1177: Mr. QUINN and Mr. ANDREWS.
- H.R. 1179: Mr. REHBERG.
- H.R. 1182: Mr. FOLEY.
- H.R. 1191: Mr. JEFFERSON and Mr. FALEOMAVAEGA.
- H.R. 1192: Mr. DELAHUNT, Mr. PASTOR, Ms. PELOSI, Mr. MORAN of Virginia, Ms. BERKLEY, Mr. MOAKLEY, and Mr. WATKINS.
- H.R. 1198: Mr. QUINN, Mr. STUPAK, Mr. STEARNS, Mr. HASTINGS of Washington, Mr. JONES of North Carolina, Ms. SANCHEZ, Mr. VITTER, Ms. CARSON of Indiana, and Mrs. ROUKEMA.
- H.R. 1201: Mr. BOUCHER and Mr. SIMMONS.
- H.R. 1220: Mr. SANDLIN, Mr. HEFLEY, and Mr. TANCREDO.
- H.R. 1230: Mr. TOWNS and Mr. ALLEN.
- H.R. 1232: Mr. OBERSTAR, Mr. SHOWS, and Ms. WOOLSEY.
- H.R. 1242: Ms. SOLIS, Mr. OWENS, and Mr. BECERRA.
- H.R. 1252: Mr. EVANS, Mr. MCGOVERN, Mr. BARCIA, and Mr. CLEMENT.
- H.R. 1266: Mr. HORN, Mr. LAMPSON, Mr. TIAHRT, and Ms. WATERS.
- H.R. 1268: Mr. HERGER.
- H.R. 1271: Mr. ARMEY and Mrs. JO ANN DAVIS of Virginia.
- H.R. 1275: Mr. BERMAN.
- H.R. 1276: Mr. MCGOVERN and Mr. BROWN of Ohio.
- H.R. 1280: Mr. RAHALL, Ms. BROWN of Florida, and Mrs. JONES of Ohio.
- H.R. 1289: Mr. LANGEVIN, Mr. GUTIERREZ, Mr. PETERSON of Minnesota, Mr. GEORGE MILLER of California, Mr. HONDA, Ms. MILLENDER-MCDONALD, Ms. MCCARTHY of Missouri, Ms. NORTON, Ms. RIVERS, and Mr. HOLDEN.
- H.R. 1291: Mr. CLEMENT.
- H.R. 1305: Mr. ANDREWS, Mr. BISHOP, Mr. CALVERT, Mr. CAPUANO, Mr. COSTELLO, Mr. DEAL of Georgia, Mrs. JO ANN DAVIS of Virginia, Ms. HART, Mr. HAYWORTH, Mr. HILLEARY, Mr. HOSTETTLER, Ms. ROSELEHTINEN, Mr. LAHOOD, Mr. LEWIS of Kentucky, Mr. MCHUGH, Mr. MOORE, Mr. OXLEY, Mr. PETRI, Ms. RIVERS, Mr. ROSS, Mr. ROYCE, Mr. SHADEGG, Mr. TOWNS, and Mr. TURNER.
- H.R. 1306: Mr. CLEMENT.
- H.R. 1307: Mr. DOYLE, Mr. ALLEN, Mr. STUPAK, Mr. COYNE, and Mr. MCHUGH.

H.R. 1318: Mr. ACKERMAN.  
 H.R. 1340: Mr. McNULTY and Ms. ESHOO.  
 H.R. 1351: Mr. DIAZ-BALART, Mr. COOKSEY, and Mr. GILLMOR.  
 H.R. 1353: Mr. GUTKNECHT, Mr. POMEROY, and Mrs. JONES of Ohio.  
 H.R. 1354: Mr. FALCOMA VEGA, Ms. WOOLSEY, Mr. MCGOVERN, Mr. PAYNE, Ms. BALDWIN, and Mr. FRANK.  
 H.R. 1357: Mr. MCINNIS.  
 H.R. 1363: Mr. PASTOR, Mr. HOLDEN, and Mr. PETERSON of Minnesota.  
 H.R. 1366: Mr. SCHIFF, Mr. ISSA, and Ms. MILLENDER-MCDONALD.  
 H.R. 1367: Mr. CROWLEY.  
 H.R. 1369: Ms. SANCHEZ.  
 H.R. 1377: Mr. FILNER, Mr. SCHAFER, Mr. SIMMONS, Mrs. BONO, Mr. COMBEST, and Mr. GIBBONS.  
 H.R. 1383: Ms. MILLENDER-MCDONALD, Mr. WAXMAN, Ms. CARSON of Indiana, Mrs. MINK of Hawaii, Mr. HILLIARD, Mr. SANDERS, Mr. OBERSTAR, Mr. BLAGOJEVICH, Mr. TOWNS, Mr. BONIOR, Mr. MCCARTHY of Missouri, Ms. MCCOLLUM, Ms. ESHOO, Mr. BALDACCIO, Mr. SKEEN, Mr. EHRLICH, Mr. POMEROY, Ms. BALDWIN, Mr. MARKEY, Mr. FRANK, Mr. CONNIT, Mrs. NAPOLITANO, Mr. FROST, Mr. PALLONE, Mrs. JONES of Ohio, Mr. CARSON of Oklahoma, and Mr. CONYERS.  
 H.R. 1388: Ms. RIVERS, Mr. FOLEY, Mr. HINOJOSA, Mr. MORAN of Kansas, Mrs. EMERSON, Mr. JOHNSON of Illinois, Mr. POMEROY, Mrs. THURMAN, Mr. SIMMONS, Mr. GIBBONS, Mr. KOLBE, and Mr. PICKERING.  
 H.R. 1398: Mr. GREEN of Texas, Mr. OBEY, Mr. HASTINGS of Florida, Mr. SHERMAN, and Ms. DELAURO.  
 H.R. 1401: Mr. TOWNS, Mr. SANDLIN, Mr. DAVIS of Illinois, and Mr. HASTINGS of Florida.  
 H.R. 1405: Mr. RAMSTAD.  
 H.R. 1407: Mrs. KELLY.  
 H.R. 1413: Mr. BARCIA.  
 H.R. 1433: Ms. MCKINNEY, Ms. PELOSI, Mr. FROST, Mr. FRANK, Mr. BAKER, and Mr. CLEMENT.  
 H.R. 1458: Mr. HINCHEY and Mr. GOODE.  
 H.R. 1470: Ms. WATERS and Mr. WAXMAN.  
 H.R. 1471: Mr. COYNE.  
 H.R. 1489: Mr. SERRANO, Ms. NORTON, and Mr. STARK.  
 H.R. 1490: Mr. ISAKSON.  
 H.R. 1494: Mr. ABERCROMBIE.  
 H.R. 1511: Mr. PAUL, Mr. GOODE, Mr. DEMINT, Mr. PITTS, Mr. AKIN, Mr. DOOLEY of California, Mrs. MYRICK, Ms. SANCHEZ, Mr. MORAN of Virginia, and Mr. HALL of Texas.  
 H.R. 1512: Ms. WATERS and Ms. VELAZQUEZ.  
 H.R. 1520: Mr. PALLONE, Mr. WEXLER, Mr. LANGEVIN, and Mr. CLEMENT.  
 H.R. 1534: Mr. GILLMOR and Mr. ROGERS of Kentucky.  
 H.R. 1536: Mr. GREEN of Texas, Mr. ACKERMAN, and Mrs. THURMAN.  
 H.R. 1541: Mr. FRANK, Ms. CARSON of Indiana, Mr. WEXLER, and Mr. MASCARA.  
 H.R. 1553: Mr. HOFFEL, Mr. DOOLEY of California, Mr. KOLBE, and Mr. ENGLISH.  
 H.R. 1556: Mr. CRAMER, Mrs. ROUKEMA, Mr. HILLIARD, Mr. JEFFERSON, and Mr. ROSS.  
 H.R. 1581: Mr. TAYLOR of North Carolina and Mr. JONES of North Carolina.  
 H.R. 1585: Ms. JACKSON-LEE of Texas, Mr. RANGEL, Ms. MCKINNEY, Mrs. CHRISTENSEN, Mr. TOWNS, Mr. CUMMINGS, Mr. CLAY, and Ms. KILPATRICK.  
 H.R. 1594: Mr. STARK, Ms. BALDWIN, Mr. CAPUANO, Mr. WYNN, Mr. HINCHEY, Ms. LEE, Ms. MCKINNEY, Ms. CARSON of Indiana, Mr. BLAGOJEVICH, Ms. HOOLEY of Oregon, Ms. PELOSI, and Mr. LAFALCE.  
 H.R. 1601: Mr. HERGER, Mrs. THURMAN, Mr. LEWIS of Kentucky, and Mr. CLEMENT.  
 H.R. 1609: Mr. SHERWOOD, Mr. ADERHOLT, Mr. HILLEARY, Mr. HUTCHINSON, Mr. BOSWELL, Mr. CALLAHAN, Mr. GRAHAM, and Mr. PETERSON of Pennsylvania.

H.R. 1610: Mr. MCINTYRE, Mr. JONES of North Carolina, Mr. GOODE, Mr. BOUCHER, Mr. GORDON, Mr. WHITFIELD, Mr. JENKINS, and Mr. LEWIS of Kentucky.  
 H.R. 1620: Mr. FROST and Mr. BARCIA.  
 H.J. Res. 36: Mr. CANTOR.  
 H. Con. Res. 3: Mr. BONIOR, Mrs. CAPPS, and Ms. DEGETTE.  
 H. Con. Res. 42: Mr. FILNER, Mr. ETHERIDGE, and Mr. COSTELLO.  
 H. Con. Res. 58: Mr. BROWN of Ohio.  
 H. Con. Res. 67: Mr. TANCREDI.  
 H. Con. Res. 68: Mr. HINCHEY, Mr. VIS-CLOSKEY, and Ms. ROS-LEHTINEN.  
 H. Con. Res. 91: Mr. LANGEVIN, Mr. BURTON of Indiana, Mr. CLEMENT, and Mrs. MORELLA.  
 H. Con. Res. 95: Mr. ISSA, Ms. SANCHEZ, Mr. SIMMONS, Mr. RYUN of Kansas, Mrs. NORTUP, and Mr. VITTER.  
 H. Con. Res. 97: Mr. LEWIS of California, Mr. FILNER, and Ms. SANCHEZ.  
 H. Con. Res. 103: Mr. BLUMENAUER, Ms. SANCHEZ, Mr. TOWNS, Ms. SOLIS, and Mr. FARR of California.  
 H. Con. Res. 106: Mr. LANGEVIN, Mr. LARSEN of Washington, Ms. KAPTUR, Mr. KING, Mr. SHAYS, Mr. UNDERWOOD, Mr. EVANS, Mr. TURNER, Ms. JACKSON-LEE of Texas, Mr. CROWLEY, Mr. GRAVES, Mrs. MORELLA, Mr. FROST, and Mr. SANDERS.  
 H. Con. Res. 109: Mr. GEKAS, Mr. ISAKSON, Mr. GOODE, Mr. PASTOR, Mr. SIMMONS, Mr. JONES of North Carolina, Mr. LANGEVIN, and Mr. GILCHREST.  
 H. Con. Res. 115: Mr. WAXMAN, Mr. MCGOVERN, Mr. JACKSON of Illinois, and Ms. JACKSON-LEE of Texas.  
 H. Con. Res. 116: Mr. FROST.  
 H. Res. 16: Mr. GOODE.  
 H. Res. 18: Mr. SABO.  
 H. Res. 72: Mr. WAMP.  
 H. Res. 97: Ms. SCHAKOWSKY and Mr. WAXMAN.  
 H. Res. 112: Mr. OTTER, Mr. PUTNAM, and Mr. POMEROY.  
 H. Res. 120: Mr. SIMMONS, Mr. WYNN, and Ms. CARSON of Indiana.

## DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1467: Mr. OTTER.

## AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 10

OFFERED BY MR. THOMAS

(Amendment in the Nature of a Substitute)

AMENDMENT NO. 1. Strike all after the enacting clause and insert the following:

### SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Comprehensive Retirement Security and Pension Reform Act of 2001”.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; references; table of contents.

### TITLE I—INDIVIDUAL RETIREMENT ACCOUNT PROVISIONS

Sec. 101. Modification of IRA contribution limits.

### TITLE II—EXPANDING COVERAGE

Sec. 201. Increase in benefit and contribution limits.  
 Sec. 202. Plan loans for subchapter S owners, partners, and sole proprietors.  
 Sec. 203. Modification of top-heavy rules.  
 Sec. 204. Elective deferrals not taken into account for purposes of deduction limits.  
 Sec. 205. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations.  
 Sec. 206. Elimination of user fee for requests to IRS regarding pension plans.  
 Sec. 207. Deduction limits.  
 Sec. 208. Option to treat elective deferrals as after-tax contributions.  
 Sec. 209. Availability of qualified plans to self-employed individuals who are exempt from the self-employment tax by reason of their religious beliefs.  
 Sec. 210. Certain nonresident aliens excluded in applying minimum coverage requirements.

### TITLE III—ENHANCING FAIRNESS FOR WOMEN

Sec. 301. Catch-up contributions for individuals age 50 or over.  
 Sec. 302. Equitable treatment for contributions of employees to defined contribution plans.  
 Sec. 303. Faster vesting of certain employer matching contributions.  
 Sec. 304. Modifications to minimum distribution rules.  
 Sec. 305. Clarification of tax treatment of division of section 457 plan benefits upon divorce.  
 Sec. 306. Provisions relating to hardship distributions.  
 Sec. 307. Waiver of tax on nondeductible contributions for domestic or similar workers.

### TITLE IV—INCREASING PORTABILITY FOR PARTICIPANTS

Sec. 401. Rollovers allowed among various types of plans.  
 Sec. 402. Rollovers of IRAs into workplace retirement plans.  
 Sec. 403. Rollovers of after-tax contributions.  
 Sec. 404. Hardship exception to 60-day rule.  
 Sec. 405. Treatment of forms of distribution.  
 Sec. 406. Rationalization of restrictions on distributions.  
 Sec. 407. Purchase of service credit in governmental defined benefit plans.  
 Sec. 408. Employers may disregard rollovers for purposes of cash-out amounts.  
 Sec. 409. Minimum distribution and inclusion requirements for section 457 plans.

### TITLE V—STRENGTHENING PENSION SECURITY AND ENFORCEMENT

Sec. 501. Repeal of percent of current liability funding limit.  
 Sec. 502. Maximum contribution deduction rules modified and applied to all defined benefit plans.  
 Sec. 503. Excise tax relief for sound pension funding.  
 Sec. 504. Excise tax on failure to provide notice by defined benefit plans significantly reducing future benefit accruals.  
 Sec. 505. Treatment of multiemployer plans under section 415.  
 Sec. 506. Protection of investment of employee contributions to 401(k) plans.  
 Sec. 507. Periodic pension benefits statements.

Sec. 508. Prohibited allocations of stock in S corporation ESOP.

#### TITLE VI—REDUCING REGULATORY BURDENS

- Sec. 601. Modification of timing of plan valuations.
- Sec. 602. ESOP dividends may be reinvested without loss of dividend deduction.
- Sec. 603. Repeal of transition rule relating to certain highly compensated employees.
- Sec. 604. Employees of tax-exempt entities.
- Sec. 605. Clarification of treatment of employer-provided retirement advice.
- Sec. 606. Reporting simplification.
- Sec. 607. Improvement of employee plans compliance resolution system.
- Sec. 608. Repeal of the multiple use test.
- Sec. 609. Flexibility in nondiscrimination, coverage, and line of business rules.
- Sec. 610. Extension to all governmental plans of moratorium on application of certain nondiscrimination rules applicable to State and local plans.
- Sec. 611. Notice and consent period regarding distributions.
- Sec. 612. Annual report dissemination.
- Sec. 613. Technical corrections to SAVER Act.

#### TITLE VII—OTHER ERISA PROVISIONS

- Sec. 701. Missing participants.
- Sec. 702. Reduced PBGC premium for new plans of small employers.
- Sec. 703. Reduction of additional PBGC premium for new and small plans.
- Sec. 704. Authorization for PBGC to pay interest on premium overpayment refunds.
- Sec. 705. Substantial owner benefits in terminated plans.
- Sec. 706. Civil penalties for breach of fiduciary responsibility.
- Sec. 707. Benefit suspension notice.
- Sec. 708. Studies.

#### TITLE VIII—PLAN AMENDMENTS

- Sec. 801. Provisions relating to plan amendments.

#### TITLE I—INDIVIDUAL RETIREMENT ACCOUNTS

##### SEC. 101. MODIFICATION OF IRA CONTRIBUTION LIMITS.

(a) INCREASE IN CONTRIBUTION LIMIT.—

(1) IN GENERAL.—Paragraph (1)(A) of section 219(b) (relating to maximum amount of deduction) is amended by striking “\$2,000” and inserting “the deductible amount”.

(2) DEDUCTIBLE AMOUNT.—Section 219(b) is amended by adding at the end the following new paragraph:

“(5) DEDUCTIBLE AMOUNT.—For purposes of paragraph (1)(A)—

“(A) IN GENERAL.—The deductible amount shall be determined in accordance with the following table:

“For taxable years beginning in:	The deductible amount is:
2002 .....	\$3,000
2003 .....	\$4,000
2004 and thereafter .....	\$5,000.

“(B) CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS 50 OR OLDER.—In the case of an individual who has attained the age of 50 before the close of the taxable year, the deductible amount for taxable years beginning in 2002 or 2003 shall be \$5,000.

“(C) COST-OF-LIVING ADJUSTMENT.—

“(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2004, the \$5,000 amount under subparagraph (A) shall be increased by an amount equal to—

“(I) such dollar amount, multiplied by

“(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting ‘calendar year 2003’ for ‘calendar year 1992’ in subparagraph (B) thereof.

“(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of \$500, such amount shall be rounded to the next lower multiple of \$500.”.

(b) CONFORMING AMENDMENTS.—

(1) Section 408(a)(1) is amended by striking “in excess of \$2,000 on behalf of any individual” and inserting “on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)”.

(2) Section 408(b)(2)(B) is amended by striking “\$2,000” and inserting “the dollar amount in effect under section 219(b)(1)(A)”.

(3) Section 408(b) is amended by striking “\$2,000” in the matter following paragraph (4) and inserting “the dollar amount in effect under section 219(b)(1)(A)”.

(4) Section 408(j) is amended by striking “\$2,000”.

(5) Section 408(p)(8) is amended by striking “\$2,000” and inserting “the dollar amount in effect under section 219(b)(1)(A)”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

#### TITLE II—EXPANDING COVERAGE

##### SEC. 201. INCREASE IN BENEFIT AND CONTRIBUTION LIMITS.

(a) DEFINED BENEFIT PLANS.—

(1) DOLLAR LIMIT.—

(A) Subparagraph (A) of section 415(b)(1) (relating to limitation for defined benefit plans) is amended by striking “\$90,000” and inserting “\$160,000”.

(B) Subparagraphs (C) and (D) of section 415(b)(2) are each amended by striking “\$90,000” each place it appears in the headings and the text and inserting “\$160,000”.

(C) Paragraph (7) of section 415(b) (relating to benefits under certain collectively bargained plans) is amended by striking “the greater of \$68,212 or one-half the amount otherwise applicable for such year under paragraph (1)(A) for ‘\$90,000’” and inserting “one-half the amount otherwise applicable for such year under paragraph (1)(A) for ‘\$160,000’”.

(2) LIMIT REDUCED WHEN BENEFIT BEGINS BEFORE AGE 62.—Subparagraph (C) of section 415(b)(2) is amended by striking “the social security retirement age” each place it appears in the heading and text and inserting “age 62” and by striking the second sentence.

(3) LIMIT INCREASED WHEN BENEFIT BEGINS AFTER AGE 65.—Subparagraph (D) of section 415(b)(2) is amended by striking “the social security retirement age” each place it appears in the heading and text and inserting “age 65”.

(4) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking “\$90,000” in paragraph (1)(A) and inserting “\$160,000”; and

(B) in paragraph (3)(A)—

(i) by striking “\$90,000” in the heading and inserting “\$160,000”; and

(ii) by striking “October 1, 1986” and inserting “July 1, 2001”.

(5) CONFORMING AMENDMENTS.—

(A) Section 415(b)(2) is amended by striking subparagraph (F).

(B) Section 415(b)(9) is amended to read as follows:

“(9) SPECIAL RULE FOR COMMERCIAL AIRLINE PILOTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), in the case of any participant who is a commercial airline pilot, if, as

of the time of the participant’s retirement, regulations prescribed by the Federal Aviation Administration require an individual to separate from service as a commercial airline pilot after attaining any age occurring on or after age 60 and before age 62, paragraph (2)(C) shall be applied by substituting such age for age 62.

“(B) INDIVIDUALS WHO SEPARATE FROM SERVICE BEFORE AGE 60.—If a participant described in subparagraph (A) separates from service before age 60, the rules of paragraph (2)(C) shall apply.”.

(C) Section 415(b)(10)(C)(i) is amended by striking “applied without regard to paragraph (2)(F)”.

(b) DEFINED CONTRIBUTION PLANS.—

(1) DOLLAR LIMIT.—Subparagraph (A) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking “\$30,000” and inserting “\$40,000”.

(2) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking “\$30,000” in paragraph (1)(C) and inserting “\$40,000”; and

(B) in paragraph (3)(D)—

(i) by striking “\$30,000” in the heading and inserting “\$40,000”; and

(ii) by striking “October 1, 1993” and inserting “July 1, 2001”.

(c) QUALIFIED TRUSTS.—

(1) COMPENSATION LIMIT.—Sections 401(a)(17), 404(1), 408(k), and 505(b)(7) are each amended by striking “\$150,000” each place it appears and inserting “\$200,000”.

(2) BASE PERIOD AND ROUNDING OF COST-OF-LIVING ADJUSTMENT.—Subparagraph (B) of section 401(a)(17) is amended—

(A) by striking “October 1, 1993” and inserting “July 1, 2001”; and

(B) by striking “\$10,000” both places it appears and inserting “\$5,000”.

(d) ELECTIVE DEFERRALS.—

(1) IN GENERAL.—Paragraph (1) of section 402(g) (relating to limitation on exclusion for elective deferrals) is amended to read as follows:

“(1) IN GENERAL.—

“(A) LIMITATION.—Notwithstanding subsections (e)(3) and (h)(1)(B), the elective deferrals of any individual for any taxable year shall be included in such individual’s gross income to the extent the amount of such deferrals for the taxable year exceeds the applicable dollar amount.

“(B) APPLICABLE DOLLAR AMOUNT.—For purposes of subparagraph (A), the applicable dollar amount shall be the amount determined in accordance with the following table:

“For taxable years beginning in calendar year:	The applicable dollar amount:
2002 .....	\$11,000
2003 .....	\$12,000
2004 .....	\$13,000
2005 .....	\$14,000
2006 or thereafter .....	\$15,000.”.

(2) COST-OF-LIVING ADJUSTMENT.—Paragraph (5) of section 402(g) is amended to read as follows:

“(5) COST-OF-LIVING ADJUSTMENT.—In the case of taxable years beginning after December 31, 2006, the Secretary shall adjust the \$15,000 amount under paragraph (1)(B) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2005, and any increase under this paragraph which is not a multiple of \$500 shall be rounded to the next lowest multiple of \$500.”.

(3) CONFORMING AMENDMENTS.—

(A) Section 402(g) (relating to limitation on exclusion for elective deferrals), as amended by paragraphs (1) and (2), is further

amended by striking paragraph (4) and redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (4), (5), (6), (7), and (8), respectively.

(B) Paragraph (2) of section 457(c) is amended by striking “402(g)(8)(A)(iii)” and inserting “402(g)(7)(A)(iii)”.

(C) Clause (iii) of section 501(c)(18)(D) is amended by striking “(other than paragraph (4) thereof)”.

(e) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations) is amended—

(A) in subsections (b)(2)(A) and (c)(1) by striking “\$7,500” each place it appears and inserting “the applicable dollar amount”; and

(B) in subsection (b)(3)(A) by striking “\$15,000” and inserting “twice the dollar amount in effect under subsection (b)(2)(A)”.

(2) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—Paragraph (15) of section 457(e) is amended to read as follows:

“(15) APPLICABLE DOLLAR AMOUNT.—

“(A) IN GENERAL.—The applicable dollar amount shall be the amount determined in accordance with the following table:

<b>For taxable years beginning in calendar year:</b>	<b>The applicable dollar amount:</b>
2002 .....	\$11,000
2003 .....	\$12,000
2004 .....	\$13,000
2005 .....	\$14,000
2006 or thereafter .....	\$15,000.

“(B) COST-OF-LIVING ADJUSTMENTS.—In the case of taxable years beginning after December 31, 2006, the Secretary shall adjust the \$15,000 amount under subparagraph (A) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2005, and any increase under this paragraph which is not a multiple of \$500 shall be rounded to the next lowest multiple of \$500.”.

(f) SIMPLE RETIREMENT ACCOUNTS.—

(1) LIMITATION.—Clause (ii) of section 408(p)(2)(A) (relating to general rule for qualified salary reduction arrangement) is amended by striking “\$6,000” and inserting “the applicable dollar amount”.

(2) APPLICABLE DOLLAR AMOUNT.—Subparagraph (E) of 408(p)(2) is amended to read as follows:

“(E) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—

“(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the applicable dollar amount shall be the amount determined in accordance with the following table:

<b>For taxable years beginning in calendar year:</b>	<b>The applicable dollar amount:</b>
2002 .....	\$7,000
2003 .....	\$8,000
2004 .....	\$9,000
2005 or thereafter .....	\$10,000.

“(ii) COST-OF-LIVING ADJUSTMENT.—In the case of a year beginning after December 31, 2005, the Secretary shall adjust the \$10,000 amount under clause (i) at the same time and in the same manner as under section 415(d), except that the base period taken into account shall be the calendar quarter beginning July 1, 2004, and any increase under this subparagraph which is not a multiple of \$500 shall be rounded to the next lower multiple of \$500.”.

(3) CONFORMING AMENDMENTS.—

(A) Subclause (I) of section 401(k)(11)(B)(i) is amended by striking “\$6,000” and inserting “the amount in effect under section 408(p)(2)(A)(ii)”.

(B) Section 401(k)(11) is amended by striking subparagraph (E).

(g) ROUNDING RULE RELATING TO DEFINED BENEFIT PLANS AND DEFINED CONTRIBUTION PLANS.—Paragraph (4) of section 415(d) is amended to read as follows:

“(4) ROUNDING.—

“(A) \$160,000 AMOUNT.—Any increase under subparagraph (A) of paragraph (1) which is not a multiple of \$5,000 shall be rounded to the next lowest multiple of \$5,000.

“(B) \$40,000 AMOUNT.—Any increase under subparagraph (C) of paragraph (1) which is not a multiple of \$1,000 shall be rounded to the next lowest multiple of \$1,000.”.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

#### SEC. 202. PLAN LOANS FOR SUBCHAPTER S OWNERS, PARTNERS, AND SOLE PROPRIETORS.

(a) AMENDMENT OF INTERNAL REVENUE CODE.—Subparagraph (B) of section 4975(f)(6) (relating to exemptions not to apply to certain transactions) is amended by adding at the end the following new clause:

“(iii) LOAN EXCEPTION.—For purposes of subparagraph (A)(i), the term ‘owner-employee’ shall only include a person described in subclause (II) or (III) of clause (i).”.

(b) AMENDMENT OF ERISA.—Section 408(d)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108(d)(2)) is amended by adding at the end the following new subparagraph:

“(C) For purposes of paragraph (1)(A), the term ‘owner-employee’ shall only include a person described in clause (ii) or (iii) of subparagraph (A).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

#### SEC. 203. MODIFICATION OF TOP-HEAVY RULES.

(a) SIMPLIFICATION OF DEFINITION OF KEY EMPLOYEE.—

(1) IN GENERAL.—Section 416(i)(1)(A) (defining key employee) is amended—

(A) by striking “or any of the 4 preceding plan years” in the matter preceding clause (i);

(B) by striking clause (i) and inserting the following:

“(i) an officer of the employer having an annual compensation greater than \$150,000.”;

(C) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively; and

(D) by striking the second sentence in the matter following clause (iii), as redesignated by subparagraph (C).

(2) CONFORMING AMENDMENT.—Section 416(i)(1)(B)(iii) is amended by striking “and subparagraph (A)(ii)”.

(b) MATCHING CONTRIBUTIONS TAKEN INTO ACCOUNT FOR MINIMUM CONTRIBUTION REQUIREMENTS.—Section 416(c)(2)(A) (relating to defined contribution plans) is amended by adding at the end the following: “Employer matching contributions (as defined in section 401(m)(4)(A)) shall be taken into account for purposes of this subparagraph.”.

(c) DISTRIBUTIONS DURING LAST YEAR BEFORE DETERMINATION DATE TAKEN INTO ACCOUNT.—

(1) IN GENERAL.—Paragraph (3) of section 416(g) is amended to read as follows:

“(3) DISTRIBUTIONS DURING LAST YEAR BEFORE DETERMINATION DATE TAKEN INTO ACCOUNT.—

“(A) IN GENERAL.—For purposes of determining—

“(i) the present value of the cumulative accrued benefit for any employee, or

“(ii) the amount of the account of any employee,

such present value or amount shall be increased by the aggregate distributions made

with respect to such employee under the plan during the 1-year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which if it had not been terminated would have been required to be included in an aggregation group.

“(B) 5-YEAR PERIOD IN CASE OF IN-SERVICE DISTRIBUTION.—In the case of any distribution made for a reason other than separation from service, death, or disability, subparagraph (A) shall be applied by substituting ‘5-year period’ for ‘1-year period’.”.

(2) BENEFITS NOT TAKEN INTO ACCOUNT.—Subparagraph (E) of section 416(g)(4) is amended—

(A) by striking “LAST 5 YEARS” in the heading and inserting “LAST YEAR BEFORE DETERMINATION DATE”; and

(B) by striking “5-year period” and inserting “1-year period”.

(d) DEFINITION OF TOP-HEAVY PLANS.—Paragraph (4) of section 416(g) (relating to other special rules for top-heavy plans) is amended by adding at the end the following new subparagraph:

“(H) CASH OR DEFERRED ARRANGEMENTS USING ALTERNATIVE METHODS OF MEETING NON-DISCRIMINATION REQUIREMENTS.—The term ‘top-heavy plan’ shall not include a plan which consists solely of—

“(i) a cash or deferred arrangement which meets the requirements of section 401(k)(12), and

“(ii) matching contributions with respect to which the requirements of section 401(m)(11) are met.

If, but for this subparagraph, a plan would be treated as a top-heavy plan because it is a member of an aggregation group which is a top-heavy group, contributions under the plan may be taken into account in determining whether any other plan in the group meets the requirements of subsection (c)(2).”.

(e) FROZEN PLAN EXEMPT FROM MINIMUM BENEFIT REQUIREMENT.—Subparagraph (C) of section 416(c)(1) (relating to defined benefit plans) is amended—

(A) by striking “clause (ii)” in clause (i) and inserting “clause (ii) or (iii)”; and

(B) by adding at the end the following:

“(iii) EXCEPTION FOR FROZEN PLAN.—For purposes of determining an employee’s years of service with the employer, any service with the employer shall be disregarded to the extent that such service occurs during a plan year when the plan benefits (within the meaning of section 410(b)) no key employee or former key employee.”.

(f) ELIMINATION OF FAMILY ATTRIBUTION.—Section 416(i)(1)(B) (defining 5-percent owner) is amended by adding at the end the following new clause:

“(iv) FAMILY ATTRIBUTION DISREGARDED.—Solely for purposes of applying this paragraph (and not for purposes of any provision of this title which incorporates by reference the definition of a key employee or 5-percent owner under this paragraph), section 318 shall be applied without regard to subsection (a)(1) thereof in determining whether any person is a 5-percent owner.”.

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

#### SEC. 204. ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.

(a) IN GENERAL.—Section 404 (relating to deduction for contributions of an employer to an employees’ trust or annuity plan and compensation under a deferred payment plan) is amended by adding at the end the following new subsection:

“(n) ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.—Elective deferrals (as defined in section



402(g)(3)) shall not be subject to any limitation contained in paragraph (3), (7), or (9) of subsection (a), and such elective deferrals shall not be taken into account in applying any such limitation to any other contributions."

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to years beginning after December 31, 2001.

**SEC. 205. REPEAL OF COORDINATION REQUIREMENTS FOR DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.**

(a) **IN GENERAL.**—Subsection (c) of section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations), as amended by section 201, is amended to read as follows:

"(c) **LIMITATION.**—The maximum amount of the compensation of any one individual which may be deferred under subsection (a) during any taxable year shall not exceed the amount in effect under subsection (b)(2)(A) (as modified by any adjustment provided under subsection (b)(3))."

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to years beginning after December 31, 2001.

**SEC. 206. ELIMINATION OF USER FEE FOR REQUESTS TO IRS REGARDING PENSION PLANS.**

(a) **ELIMINATION OF CERTAIN USER FEES.**—The Secretary of the Treasury or the Secretary's delegate shall not require payment of user fees under the program established under section 10511 of the Revenue Act of 1987 for requests to the Internal Revenue Service for determination letters with respect to the qualified status of a pension benefit plan maintained solely by one or more eligible employers or any trust which is part of the plan. The preceding sentence shall not apply to any request—

(1) made after the later of—

(A) the fifth plan year the pension benefit plan is in existence; or

(B) the end of any remedial amendment period with respect to the plan beginning within the first 5 plan years; or

(2) made by the sponsor of any prototype or similar plan which the sponsor intends to market to participating employers.

(b) **PENSION BENEFIT PLAN.**—For purposes of this section, the term "pension benefit plan" means a pension, profit-sharing, stock bonus, annuity, or employee stock ownership plan.

(c) **ELIGIBLE EMPLOYER.**—For purposes of this section, the term "eligible employer" has the same meaning given such term in section 408(p)(2)(C)(i)(I) of the Internal Revenue Code of 1986. The determination of whether an employer is an eligible employer under this section shall be made as of the date of the request described in subsection (a).

(d) **DETERMINATION OF AVERAGE FEES CHARGED.**—For purposes of any determination of average fees charged, any request to which subsection (a) applies shall not be taken into account.

(e) **EFFECTIVE DATE.**—The provisions of this section shall apply with respect to requests made after December 31, 2001.

**SEC. 207. DEDUCTION LIMITS.**

(a) **STOCK BONUS AND PROFIT SHARING TRUSTS.**—

(1) **IN GENERAL.**—Subclause (I) of section 404(a)(3)(A)(i) (relating to stock bonus and profit sharing trusts) is amended by striking "15 percent" and inserting "20 percent".

(2) **CONFORMING AMENDMENT.**—Subparagraph (C) of section 404(h)(1) is amended by striking "15 percent" each place it appears and inserting "20 percent".

(b) **COMPENSATION.**—

(1) **IN GENERAL.**—Section 404(a) (relating to general rule) is amended by adding at the end the following:

"(12) **DEFINITION OF COMPENSATION.**—For purposes of paragraphs (3), (7), (8), and (9), the term 'compensation otherwise paid or accrued during the taxable year' shall include amounts treated as 'participant's compensation' under subparagraph (C) or (D) of section 415(c)(3)."

(2) **CONFORMING AMENDMENTS.**—

(A) Subparagraph (B) of section 404(a)(3) is amended by striking the last sentence.

(B) Clause (i) of section 4972(c)(6)(B) is amended by striking "(within the meaning of section 404(a))" and inserting "(within the meaning of section 404(a) and as adjusted under section 404(a)(12))".

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to years beginning after December 31, 2001.

**SEC. 208. OPTION TO TREAT ELECTIVE DEFERRALS AS AFTER-TAX CONTRIBUTIONS.**

(a) **IN GENERAL.**—Subpart A of part I of subchapter D of chapter 1 (relating to deferred compensation, etc.) is amended by inserting after section 402 the following new section:

**"SEC. 402A. OPTIONAL TREATMENT OF ELECTIVE DEFERRALS AS PLUS CONTRIBUTIONS.**

"(a) **GENERAL RULE.**—If an applicable retirement plan includes a qualified plus contribution program—

"(1) any designated plus contribution made by an employee pursuant to the program shall be treated as an elective deferral for purposes of this chapter, except that such contribution shall not be excludable from gross income, and

"(2) such plan (and any arrangement which is part of such plan) shall not be treated as failing to meet any requirement of this chapter solely by reason of including such program.

"(b) **QUALIFIED PLUS CONTRIBUTION PROGRAM.**—For purposes of this section—

"(1) **IN GENERAL.**—The term 'qualified plus contribution program' means a program under which an employee may elect to make designated plus contributions in lieu of all or a portion of elective deferrals the employee is otherwise eligible to make under the applicable retirement plan.

"(2) **SEPARATE ACCOUNTING REQUIRED.**—A program shall not be treated as a qualified plus contribution program unless the applicable retirement plan—

"(A) establishes separate accounts ('designated plus accounts') for the designated plus contributions of each employee and any earnings properly allocable to the contributions, and

"(B) maintains separate recordkeeping with respect to each account.

"(c) **DEFINITIONS AND RULES RELATING TO DESIGNATED PLUS CONTRIBUTIONS.**—For purposes of this section—

"(1) **DESIGNATED PLUS CONTRIBUTION.**—The term 'designated plus contribution' means any elective deferral which—

"(A) is excludable from gross income of an employee without regard to this section, and

"(B) the employee designates (at such time and in such manner as the Secretary may prescribe) as not being so excludable.

"(2) **DESIGNATION LIMITS.**—The amount of elective deferrals which an employee may designate under paragraph (1) shall not exceed the excess (if any) of—

"(A) the maximum amount of elective deferrals excludable from gross income of the employee for the taxable year (without regard to this section), over

"(B) the aggregate amount of elective deferrals of the employee for the taxable year which the employee does not designate under paragraph (1).

"(3) **ROLLOVER CONTRIBUTIONS.**—

"(A) **IN GENERAL.**—A rollover contribution of any payment or distribution from a des-

ignated plus account which is otherwise allowable under this chapter may be made only if the contribution is to—

"(i) another designated plus account of the individual from whose account the payment or distribution was made, or

"(ii) a Roth IRA of such individual.

"(B) **COORDINATION WITH LIMIT.**—Any rollover contribution to a designated plus account under subparagraph (A) shall not be taken into account for purposes of paragraph (1).

"(d) **DISTRIBUTION RULES.**—For purposes of this title—

"(1) **EXCLUSION.**—Any qualified distribution from a designated plus account shall not be includable in gross income.

"(2) **QUALIFIED DISTRIBUTION.**—For purposes of this subsection—

"(A) **IN GENERAL.**—The term 'qualified distribution' has the meaning given such term by section 408A(d)(2)(A) (without regard to clause (iv) thereof).

"(B) **DISTRIBUTIONS WITHIN NONEXCLUSION PERIOD.**—A payment or distribution from a designated plus account shall not be treated as a qualified distribution if such payment or distribution is made within the 5-taxable-year period beginning with the earlier of—

"(i) the first taxable year for which the individual made a designated plus contribution to any designated plus account established for such individual under the same applicable retirement plan, or

"(ii) if a rollover contribution was made to such designated plus account from a designated plus account previously established for such individual under another applicable retirement plan, the first taxable year for which the individual made a designated plus contribution to such previously established account.

"(C) **DISTRIBUTIONS OF EXCESS DEFERRALS AND CONTRIBUTIONS AND EARNINGS THEREON.**—The term 'qualified distribution' shall not include any distribution of an excess deferral under section 402(g)(2) or any excess contribution under section 401(k)(8), and any income on the excess deferral or contribution.

"(3) **TREATMENT OF DISTRIBUTIONS OF CERTAIN EXCESS DEFERRALS.**—Notwithstanding section 72, if any excess deferral under section 402(g)(2) attributable to a designated plus contribution is not distributed on or before the 1st April 15 following the close of the taxable year in which such excess deferral is made, the amount of such excess deferral shall—

"(A) not be treated as investment in the contract, and

"(B) be included in gross income for the taxable year in which such excess is distributed.

"(4) **AGGREGATION RULES.**—Section 72 shall be applied separately with respect to distributions and payments from a designated plus account and other distributions and payments from the plan.

"(e) **OTHER DEFINITIONS.**—For purposes of this section—

"(1) **APPLICABLE RETIREMENT PLAN.**—The term 'applicable retirement plan' means—

"(A) an employee's trust described in section 401(a) which is exempt from tax under section 501(a), and

"(B) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b).

"(2) **ELECTIVE DEFERRAL.**—The term 'elective deferral' means any elective deferral described in subparagraph (A) or (C) of section 402(g)(3)."

(b) **EXCESS DEFERRALS.**—Section 402(g) (relating to limitation on exclusion for elective deferrals) is amended—

(1) by adding at the end of paragraph (1)(A) (as added by section 201(d)(1)) the following new sentence: "The preceding sentence shall

not apply to so much of such excess as does not exceed the designated plus contributions of the individual for the taxable year.”; and

(2) by inserting “(or would be included but for the last sentence thereof)” after “paragraph (1)” in paragraph (2)(A).

(c) **ROLLOVERS.**—Subparagraph (B) of section 402(c)(8) is amended by adding at the end the following:

“If any portion of an eligible rollover distribution is attributable to payments or distributions from a designated plus account (as defined in section 402A), an eligible retirement plan with respect to such portion shall include only another designated plus account and a Roth IRA.”.

(d) **REPORTING REQUIREMENTS.**—

(1) **W-2 INFORMATION.**—Section 6051(a)(8) is amended by inserting “, including the amount of designated plus contributions (as defined in section 402A)” before the comma at the end.

(2) **INFORMATION.**—Section 6047 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

“(f) **DESIGNATED PLUS CONTRIBUTIONS.**—The Secretary shall require the plan administrator of each applicable retirement plan (as defined in section 402A) to make such returns and reports regarding designated plus contributions (as so defined) to the Secretary, participants and beneficiaries of the plan, and such other persons as the Secretary may prescribe.”.

(e) **CONFORMING AMENDMENTS.**—

(1) Section 408A(e) is amended by adding after the first sentence the following new sentence: “Such term includes a rollover contribution described in section 402A(c)(3)(A).”.

(2) The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 402 the following new item:

“Sec. 402A. Optional treatment of elective deferrals as plus contributions.”.

(f) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 209. AVAILABILITY OF QUALIFIED PLANS TO SELF-EMPLOYED INDIVIDUALS WHO ARE EXEMPT FROM THE SELF-EMPLOYMENT TAX BY REASON OF THEIR RELIGIOUS BELIEFS.**

(a) **IN GENERAL.**—Subparagraph (A) of section 401(c)(2) (defining earned income) is amended by adding at the end thereof the following new sentence: “For purposes of this part only (other than sections 419 and 419A), this subparagraph shall be applied as if the term ‘trade or business’ for purposes of section 1402 included service described in section 1402(c)(6).”.

(b) **SIMPLE RETIREMENT ACCOUNTS.**—Clause (ii) of section 408(p)(6)(A) (defining self-employed) is amended by adding at the end the following new sentence: “The preceding sentence shall be applied as if the term ‘trade or business’ for purposes of section 1402 included service described in section 1402(c)(6).”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

**SEC. 210. CERTAIN NONRESIDENT ALIENS EXCLUDED IN APPLYING MINIMUM COVERAGE REQUIREMENTS.**

(a) **IN GENERAL.**—Subparagraph (C) of section 410(b)(3) (relating to exclusion of certain employees) is amended by inserting “, determined without regard to the reference to subchapter D in the last sentence thereof” after “section 861(a)(3).”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to plan years beginning after December 31, 2001.

**TITLE III—ENHANCING FAIRNESS FOR WOMEN**

**SEC. 301. CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OVER.**

(a) **IN GENERAL.**—Section 414 (relating to definitions and special rules) is amended by adding at the end the following new subsection:

“(v) **CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OVER.**—

“(1) **IN GENERAL.**—An applicable employer plan shall not be treated as failing to meet any requirement of this title solely because the plan permits an eligible participant to make additional elective deferrals in any plan year.

“(2) **LIMITATION ON AMOUNT OF ADDITIONAL DEFERRALS.**—A plan shall not permit additional elective deferrals under paragraph (1) for any year in an amount greater than the lesser of—

“(A) \$5,000, or

“(B) the excess (if any) of—

“(i) the participant’s compensation for the year, over

“(ii) any other elective deferrals of the participant for such year which are made without regard to this subsection.

“(3) **TREATMENT OF CONTRIBUTIONS.**—In the case of any contribution to a plan under paragraph (1), such contribution shall not, with respect to the year in which the contribution is made—

“(A) be subject to any otherwise applicable limitation contained in section 402(g), 402(h)(2), 404(a), 404(h), 408(p)(2)(A)(ii), 415, or 457, or

“(B) be taken into account in applying such limitations to other contributions or benefits under such plan or any other such plan.

“(4) **APPLICATION OF NONDISCRIMINATION RULES.**—

“(A) **IN GENERAL.**—An applicable employer plan shall not be treated as failing to meet the nondiscrimination requirements under section 401(a)(4) with respect to benefits, rights, and features if the plan allows all eligible participants to make the same election with respect to the additional elective deferrals under this subsection.

“(B) **AGGREGATION.**—For purposes of subparagraph (A), all plans maintained by employers who are treated as a single employer under subsection (b), (c), (m), or (o) of section 414 shall be treated as 1 plan.

“(5) **ELIGIBLE PARTICIPANT.**—For purposes of this subsection, the term ‘eligible participant’ means, with respect to any plan year, a participant in a plan—

“(A) who has attained the age of 50 before the close of the plan year, and

“(B) with respect to whom no other elective deferrals may (without regard to this subsection) be made to the plan for the plan year by reason of the application of any limitation or other restriction described in paragraph (3) or comparable limitation contained in the terms of the plan.

“(6) **OTHER DEFINITIONS AND RULES.**—For purposes of this subsection—

“(A) **APPLICABLE EMPLOYER PLAN.**—The term ‘applicable employer plan’ means—

“(i) an employees’ trust described in section 401(a) which is exempt from tax under section 501(a),

“(ii) a plan under which amounts are contributed by an individual’s employer for an annuity contract described in section 403(b),

“(iii) an eligible deferred compensation plan under section 457 of an eligible employer as defined in section 457(e)(1)(A), and

“(iv) an arrangement meeting the requirements of section 408 (k) or (p).

“(B) **ELECTIVE DEFERRAL.**—The term ‘elective deferral’ has the meaning given such term by subsection (u)(2)(C).

“(C) **EXCEPTION FOR SECTION 457 PLANS.**—This subsection shall not apply to an applicable employer plan described in subparagraph (A)(iii) for any year to which section 457(b)(3) applies.

“(D) **COST-OF-LIVING ADJUSTMENT.**—In the case of a year beginning after December 31, 2006, the Secretary shall adjust annually the \$5,000 amount in paragraph (2)(A) for increases in the cost-of-living at the same time and in the same manner as adjustments under section 415(d); except that the base period taken into account shall be the calendar quarter beginning July 1, 2005, and any increase under this subparagraph which is not a multiple of \$500 shall be rounded to the next lower multiple of \$500.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to contributions in taxable years beginning after December 31, 2001.

**SEC. 302. EQUITABLE TREATMENT FOR CONTRIBUTIONS OF EMPLOYEES TO DEFINED CONTRIBUTION PLANS.**

(a) **EQUITABLE TREATMENT.**—

(1) **IN GENERAL.**—Subparagraph (B) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking “25 percent” and inserting “100 percent”.

(2) **APPLICATION TO SECTION 403(b).**—Section 403(b) is amended—

(A) by striking “the exclusion allowance for such taxable year” in paragraph (1) and inserting “the applicable limit under section 415”; and

(B) by striking paragraph (2); and

(C) by inserting “or any amount received by a former employee after the fifth taxable year following the taxable year in which such employee was terminated” before the period at the end of the second sentence of paragraph (3).

(3) **CONFORMING AMENDMENTS.**—

(A) Subsection (f) of section 72 is amended by striking “section 403(b)(2)(D)(iii)” and inserting “section 403(b)(2)(D)(iii), as in effect before the enactment of the Comprehensive Retirement Security and Pension Reform Act of 2001”.

(B) Section 404(a)(10)(B) is amended by striking “, the exclusion allowance under section 403(b)(2).”.

(C) Section 404(j) is amended by adding at the end the following new paragraph:

“(3) **SPECIAL RULE FOR MONEY PURCHASE PLANS.**—For purposes of paragraph (1)(B), in the case of a defined contribution plan which is subject to the funding standards of section 412, section 415(c)(1)(B) shall be applied by substituting ‘25 percent’ for ‘100 percent’.”.

(D) Section 415(a)(2) is amended by striking “, and the amount of the contribution for such portion shall reduce the exclusion allowance as provided in section 403(b)(2).”.

(E) Section 415(c)(3) is amended by adding at the end the following new subparagraph:

“(E) **ANNUITY CONTRACTS.**—In the case of an annuity contract described in section 403(b), the term ‘participant’s compensation’ means the participant’s includible compensation determined under section 403(b)(3).”.

(F) Section 415(c) is amended by striking paragraph (4).

(G) Section 415(c)(7) is amended to read as follows:

“(7) **CERTAIN CONTRIBUTIONS BY CHURCH PLANS NOT TREATED AS EXCEEDING LIMIT.**—

“(A) **IN GENERAL.**—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such

participant, when expressed as an annual addition to such participant's account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of \$10,000.

“(B) \$40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed \$40,000.

“(C) ANNUAL ADDITION.—For purposes of this paragraph, the term ‘annual addition’ has the meaning given such term by paragraph (2).”

(H) Subparagraph (B) of section 402(g)(7) (as redesignated by section 201) is amended by inserting before the period at the end the following: “(as in effect before the enactment of the Comprehensive Retirement Security and Pension Reform Act of 2001)”.

(I) Section 664(g) is amended—

(i) in paragraph (3)(E) by striking “limitations under section 415(c)” and inserting “applicable limitation under paragraph (7)”, and

(ii) by adding at the end the following new paragraph:

“(7) APPLICABLE LIMITATION.—

“(A) IN GENERAL.—For purposes of paragraph (3)(E), the applicable limitation under this paragraph with respect to a participant is an amount equal to the lesser of—

“(i) \$30,000, or

“(ii) 25 percent of the participant's compensation (as defined in section 415(c)(3)).

“(B) COST-OF-LIVING ADJUSTMENT.—The Secretary shall adjust annually the \$30,000 amount under subparagraph (A)(i) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning October 1, 1993, and any increase under this subparagraph which is not a multiple of \$5,000 shall be rounded to the next lowest multiple of \$5,000.”

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to years beginning after December 31, 2001.

(b) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—

(1) IN GENERAL.—Subsection (k) of section 415 is amended by adding at the end the following new paragraph:

“(4) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—For purposes of this section, any annuity contract described in section 403(b) for the benefit of a participant shall be treated as a defined contribution plan maintained by each employer with respect to which the participant has the control required under subsection (b) or (c) of section 414 (as modified by subsection (h)). For purposes of this section, any contribution by an employer to a simplified employee pension plan for an individual for a taxable year shall be treated as an employer contribution to a defined contribution plan for such individual for such year.”

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendment made by paragraph (1) shall apply to limitation years beginning after December 31, 1999.

(B) EXCLUSION ALLOWANCE.—Effective for limitation years beginning in 2000, in the case of any annuity contract described in section 403(b) of the Internal Revenue Code of 1986, the amount of the contribution disqualified by reason of section 415(g) of such Code shall reduce the exclusion allowance as provided in section 403(b)(2) of such Code.

(3) MODIFICATION OF 403(b) EXCLUSION ALLOWANCE TO CONFORM TO 415 MODIFICATION.—The Secretary of the Treasury shall modify the regulations regarding the exclusion allowance under section 403(b)(2) of the Internal Revenue Code of 1986 to render void the requirement that contributions to a defined benefit pension plan be treated as previously excluded amounts for purposes of the exclu-

sion allowance. For taxable years beginning after December 31, 1999, such regulations shall be applied as if such requirement were void.

(c) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Subparagraph (B) of section 457(b)(2) (relating to salary limitation on eligible deferred compensation plans) is amended by striking “33½ percent” and inserting “100 percent”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to years beginning after December 31, 2001.

**SEC. 303. FASTER VESTING OF CERTAIN EMPLOYER MATCHING CONTRIBUTIONS.**

(a) AMENDMENT OF INTERNAL REVENUE CODE.—Section 411(a) (relating to minimum vesting standards) is amended—

(1) in paragraph (2) in the matter preceding subparagraph (A), by striking “A plan” and inserting “Except as provided in paragraph (12), a plan”; and

(2) by adding at the end the following:

“(12) FASTER VESTING FOR MATCHING CONTRIBUTIONS.—In the case of matching contributions (as defined in section 401(m)(4)(A)), paragraph (2) shall be applied—

“(A) by substituting ‘3 years’ for ‘5 years’ in subparagraph (A), and

“(B) by substituting the following table for the table contained in subparagraph (B):

Years of service:	The nonforfeitable percentage is:
2 .....	20
3 .....	40
4 .....	60
5 .....	80
6 .....	100.”.

(b) AMENDMENT OF ERISA.—Section 203(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)) is amended—

(1) in paragraph (2), in the matter preceding subparagraph (A), by striking “A plan” and inserting “Except as provided in paragraph (4), a plan”, and

(2) by adding at the end the following:

“(4) In the case of matching contributions (as defined in section 401(m)(4)(A) of the Internal Revenue Code of 1986), paragraph (2) shall be applied—

“(A) by substituting ‘3 years’ for ‘5 years’ in subparagraph (A), and

“(B) by substituting the following table for the table contained in subparagraph (B):

Years of service:	The nonforfeitable percentage is:
2 .....	20
3 .....	40
4 .....	60
5 .....	80
6 .....	100.”.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions for plan years beginning after December 31, 2001.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified by the date of the enactment of this Act, the amendments made by this section shall not apply to contributions on behalf of employees covered by any such agreement for plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of the enactment); or

(ii) January 1, 2002; or

(B) January 1, 2006.

(3) SERVICE REQUIRED.—With respect to any plan, the amendments made by this section shall not apply to any employee before the date that such employee has 1 hour of service under such plan in any plan year to which the amendments made by this section apply.

**SEC. 304. MODIFICATIONS TO MINIMUM DISTRIBUTION RULES.**

(a) LIFE EXPECTANCY TABLES.—The Secretary of the Treasury shall modify the life expectancy tables under the regulations relating to minimum distribution requirements under sections 401(a)(9), 408(a)(6) and (b)(3), 403(b)(10), and 457(d)(2) of the Internal Revenue Code to reflect current life expectancy.

(b) REPEAL OF RULE WHERE DISTRIBUTIONS HAD BEGUN BEFORE DEATH OCCURS.—

(1) IN GENERAL.—Subparagraph (B) of section 401(a)(9) is amended by striking clause (i) and redesignating clauses (ii), (iii), and (iv) as clauses (i), (ii), and (iii), respectively.

(2) CONFORMING CHANGES.—

(A) Clause (i) of section 401(a)(9)(B) (as so redesignated) is amended—

(i) by striking “FOR OTHER CASES” in the heading; and

(ii) by striking “the distribution of the employee's interest has begun in accordance with subparagraph (A)(ii)” and inserting “his entire interest has been distributed to him”.

(B) Clause (ii) of section 401(a)(9)(B) (as so redesignated) is amended by striking “clause (ii)” and inserting “clause (i)”.

(C) Clause (iii) of section 401(a)(9)(B) (as so redesignated) is amended—

(i) by striking “clause (iii)(I)” and inserting “clause (ii)(I)”;

(ii) by striking “clause (iii)(III)” in subclause (I) and inserting “clause (ii)(III)”;

(iii) by striking “the date on which the employee would have attained age 70½,” in subclause (I) and inserting “April 1 of the calendar year following the calendar year in which the spouse attains 70½.”; and

(iv) by striking “the distributions to such spouse begin,” in subclause (II) and inserting “his entire interest has been distributed to him.”

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided in subparagraph (B), the amendments made by this subsection shall apply to years beginning after December 31, 2001.

(B) DISTRIBUTIONS TO SURVIVING SPOUSE.—

(i) IN GENERAL.—In the case of an employee described in clause (ii), distributions to the surviving spouse of the employee shall not be required to commence prior to the date on which such distributions would have been required to begin under section 401(a)(9)(B) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of this Act).

(ii) CERTAIN EMPLOYEES.—An employee is described in this clause if such employee dies before—

(I) the date of the enactment of this Act, and

(II) the required beginning date (within the meaning of section 401(a)(9)(C) of the Internal Revenue Code of 1986) of the employee.

(c) REDUCTION IN EXCISE TAX.—

(1) IN GENERAL.—Subsection (a) of section 4974 is amended by striking “50 percent” and inserting “10 percent”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall apply to years beginning after December 31, 2001.

**SEC. 305. CLARIFICATION OF TAX TREATMENT OF DIVISION OF SECTION 457 PLAN BENEFITS UPON DIVORCE.**

(a) IN GENERAL.—Section 414(p)(11) (relating to application of rules to governmental and church plans) is amended—

(1) by inserting “or an eligible deferred compensation plan (within the meaning of section 457(b))” after “subsection (e)”;

(2) in the heading, by striking “GOVERNMENTAL AND CHURCH PLANS” and inserting “CERTAIN OTHER PLANS”.

(b) **WAIVER OF CERTAIN DISTRIBUTION REQUIREMENTS.**—Paragraph (10) of section 414(p) is amended by striking “and section 409(d)” and inserting “section 409(d), and section 457(d)”.

(c) **TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.**—Subsection (p) of section 414 is amended by redesignating paragraph (12) as paragraph (13) and inserting after paragraph (11) the following new paragraph:

“(12) **TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.**—If a distribution or payment from an eligible deferred compensation plan described in section 457(b) is made pursuant to a qualified domestic relations order, rules similar to the rules of section 402(e)(1)(A) shall apply to such distribution or payment.”.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to transfers, distributions, and payments made after December 31, 2001.

#### SEC. 306. PROVISIONS RELATING TO HARDSHIP DISTRIBUTIONS.

(a) **SAFE HARBOR RELIEF.**—

(1) **IN GENERAL.**—The Secretary of the Treasury shall revise the regulations relating to hardship distributions under section 401(k)(2)(B)(i)(IV) of the Internal Revenue Code of 1986 to provide that the period an employee is prohibited from making elective and employee contributions in order for a distribution to be deemed necessary to satisfy financial need shall be equal to 6 months.

(2) **EFFECTIVE DATE.**—The revised regulations under this subsection shall apply to years beginning after December 31, 2001.

(b) **HARDSHIP DISTRIBUTIONS NOT TREATED AS ELIGIBLE ROLLOVER DISTRIBUTIONS.**—

(1) **MODIFICATION OF DEFINITION OF ELIGIBLE ROLLOVER.**—Subparagraph (C) of section 402(c)(4) (relating to eligible rollover distribution) is amended to read as follows:

“(C) any distribution which is made upon hardship of the employee.”.

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall apply to distributions made after December 31, 2001.

#### SEC. 307. WAIVER OF TAX ON NONDEDUCTIBLE CONTRIBUTIONS FOR DOMESTIC OR SIMILAR WORKERS.

(a) **IN GENERAL.**—Section 4972(c)(6) (relating to exceptions to nondeductible contributions), as amended by section 502, is amended by striking “or” at the end of subparagraph (A), by striking the period and inserting “; and” at the end of subparagraph (B), and by inserting after subparagraph (B) the following new subparagraph:

“(C) so much of the contributions to a simple retirement account (within the meaning of section 408(p)) or a simple plan (within the meaning of section 401(k)(11)) which are not deductible when contributed solely because such contributions are not made in connection with a trade or business of the employer.”.

(b) **EXCLUSION OF CERTAIN CONTRIBUTIONS.**—Section 4972(c)(6) is amended by adding at the end the following new sentence: “Subparagraph (C) shall not apply to contributions made on behalf of the employer or a member of the employer’s family (as defined in section 447(e)(1)).”.

(c) **NO INFERENCE.**—Nothing in the amendments made by this section shall be construed to infer the proper treatment of nondeductible contributions under the laws in effect before such amendments.

(d) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### TITLE IV—INCREASING PORTABILITY FOR PARTICIPANTS

#### SEC. 401. ROLLOVERS ALLOWED AMONG VARIOUS TYPES OF PLANS.

(a) **ROLLOVERS FROM AND TO SECTION 457 PLANS.**—

(1) **ROLLOVERS FROM SECTION 457 PLANS.**—

(A) **IN GENERAL.**—Section 457(e) (relating to other definitions and special rules) is amended by adding at the end the following:

“(16) **ROLLOVER AMOUNTS.**—

“(A) **GENERAL RULE.**—In the case of an eligible deferred compensation plan established and maintained by an employer described in subsection (e)(1)(A), if—

“(i) any portion of the balance to the credit of an employee in such plan is paid to such employee in an eligible rollover distribution (within the meaning of section 402(c)(4) without regard to subparagraph (C) thereof),

“(ii) the employee transfers any portion of the property such employee receives in such distribution to an eligible retirement plan described in section 402(c)(8)(B), and

“(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed, then such distribution (to the extent so transferred) shall not be includible in gross income for the taxable year in which paid.

“(B) **CERTAIN RULES MADE APPLICABLE.**—The rules of paragraphs (2) through (7) (other than paragraph (4)(C)) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A).

“(C) **REPORTING.**—Rollovers under this paragraph shall be reported to the Secretary in the same manner as rollovers from qualified retirement plans (as defined in section 4974(c)).”.

(B) **DEFERRAL LIMIT DETERMINED WITHOUT REGARD TO ROLLOVER AMOUNTS.**—Section 457(b)(2) (defining eligible deferred compensation plan) is amended by inserting “(other than rollover amounts)” after “taxable year”.

(C) **DIRECT ROLLOVER.**—Paragraph (1) of section 457(d) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “; and”, and by inserting after subparagraph (B) the following:

“(C) in the case of a plan maintained by an employer described in subsection (e)(1)(A), the plan meets requirements similar to the requirements of section 401(a)(31).

Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of transfer.”.

(D) **WITHHOLDING.**—

(i) Paragraph (12) of section 3401(a) is amended by adding at the end the following:

“(E) under or to an eligible deferred compensation plan which, at the time of such payment, is a plan described in section 457(b) maintained by an employer described in section 457(e)(1)(A); or”.

(ii) Paragraph (3) of section 3405(c) is amended to read as follows:

“(3) **ELIGIBLE ROLLOVER DISTRIBUTION.**—For purposes of this subsection, the term ‘eligible rollover distribution’ has the meaning given such term by section 402(f)(2)(A).”.

(iii) **LIABILITY FOR WITHHOLDING.**—Subparagraph (B) of section 3405(d)(2) is amended by striking “or” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “; or”, and by adding at the end the following:

“(iv) section 457(b) and which is maintained by an eligible employer described in section 457(e)(1)(A).”.

(2) **ROLLOVERS TO SECTION 457 PLANS.**—

(A) **IN GENERAL.**—Section 402(c)(8)(B) (defining eligible retirement plan) is amended by striking “and” at the end of clause (iii),

by striking the period at the end of clause (iv) and inserting “; and”, and by inserting after clause (iv) the following new clause:

“(v) an eligible deferred compensation plan described in section 457(b) which is maintained by an eligible employer described in section 457(e)(1)(A).”.

(B) **SEPARATE ACCOUNTING.**—Section 402(c) is amended by adding at the end the following new paragraph:

“(10) **SEPARATE ACCOUNTING.**—Unless a plan described in clause (v) of paragraph (8)(B) agrees to separately account for amounts rolled into such plan from eligible retirement plans not described in such clause, the plan described in such clause may not accept transfers or rollovers from such retirement plans.”.

(C) **10 PERCENT ADDITIONAL TAX.**—Subsection (t) of section 72 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new paragraph:

“(9) **SPECIAL RULE FOR ROLLOVERS TO SECTION 457 PLANS.**—For purposes of this subsection, a distribution from an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A) shall be treated as a distribution from a qualified retirement plan described in section 4974(c)(1) to the extent that such distribution is attributable to an amount transferred to an eligible deferred compensation plan from a qualified retirement plan (as defined in section 4974(c)).”.

(b) **ALLOWANCE OF ROLLOVERS FROM AND TO 403(b) PLANS.**—

(1) **ROLLOVERS FROM SECTION 403(b) PLANS.**—Section 403(b)(8)(A)(ii) (relating to rollover amounts) is amended by striking “such distribution” and all that follows and inserting “such distribution to an eligible retirement plan described in section 402(c)(8)(B), and”.

(2) **ROLLOVERS TO SECTION 403(b) PLANS.**—Section 402(c)(8)(B) (defining eligible retirement plan), as amended by subsection (a), is amended by striking “and” at the end of clause (iv), by striking the period at the end of clause (v) and inserting “; and”, and by inserting after clause (v) the following new clause:

“(vi) an annuity contract described in section 403(b).”.

(c) **EXPANDED EXPLANATION TO RECIPIENTS OF ROLLOVER DISTRIBUTIONS.**—Paragraph (1) of section 402(f) (relating to written explanation to recipients of distributions eligible for rollover treatment) is amended by striking “and” at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting “; and”, and by adding at the end the following new subparagraph:

“(E) of the provisions under which distributions from the eligible retirement plan receiving the distribution may be subject to restrictions and tax consequences which are different from those applicable to distributions from the plan making such distribution.”.

(d) **SPOUSAL ROLLOVERS.**—Section 402(c)(9) (relating to rollover where spouse receives distribution after death of employee) is amended by striking “; except that” and all that follows up to the end period.

(e) **CONFORMING AMENDMENTS.**—

(1) Section 72(o)(4) is amended by striking “and 408(d)(3)” and inserting “403(b)(8), 408(d)(3), and 457(e)(16)”.

(2) Section 219(d)(2) is amended by striking “or 408(d)(3)” and inserting “408(d)(3), or 457(e)(16)”.

(3) Section 401(a)(31)(B) is amended by striking “and 403(a)(4)” and inserting “; 403(a)(4), 403(b)(8), and 457(e)(16)”.

(4) Subparagraph (A) of section 402(f)(2) is amended by striking "or paragraph (4) of section 403(a)" and inserting "paragraph (4) of section 403(a), subparagraph (A) of section 403(b)(8), or subparagraph (A) of section 457(e)(16)".

(5) Paragraph (1) of section 402(f) is amended by striking "from an eligible retirement plan".

(6) Subparagraphs (A) and (B) of section 402(f)(1) are amended by striking "another eligible retirement plan" and inserting "an eligible retirement plan".

(7) Subparagraph (B) of section 403(b)(8) is amended to read as follows:

"(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A), except that section 402(f) shall be applied to the payor in lieu of the plan administrator."

(8) Section 408(a)(1) is amended by striking "or 403(b)(8)," and inserting "403(b)(8), or 457(e)(16)".

(9) Subparagraphs (A) and (B) of section 415(b)(2) are each amended by striking "and 408(d)(3)" and inserting "403(b)(8), 408(d)(3), and 457(e)(16)".

(10) Section 415(c)(2) is amended by striking "and 408(d)(3)" and inserting "408(d)(3), and 457(e)(16)".

(11) Section 4973(b)(1)(A) is amended by striking "or 408(d)(3)" and inserting "408(d)(3), or 457(e)(16)".

(f) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

(2) REASONABLE NOTICE.—No penalty shall be imposed on a plan for the failure to provide the information required by the amendment made by subsection (c) with respect to any distribution made before the date that is 90 days after the date on which the Secretary of the Treasury issues a safe harbor rollover notice after the date of the enactment of this Act, if the administrator of such plan makes a reasonable attempt to comply with such requirement.

(3) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of any amendment made by this section.

#### SEC. 402. ROLLOVERS OF IRAS INTO WORKPLACE RETIREMENT PLANS.

(a) IN GENERAL.—Subparagraph (A) of section 408(d)(3) (relating to rollover amounts) is amended by adding "or" at the end of clause (i), by striking clauses (ii) and (iii), and by adding at the end the following:

"(ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan for the benefit of such individual not later than the 60th day after the date on which the payment or distribution is received, except that the maximum amount which may be paid into such plan may not exceed the portion of the amount received which is includible in gross income (determined without regard to this paragraph).

For purposes of clause (ii), the term 'eligible retirement plan' means an eligible retirement plan described in clause (iii), (iv), (v), or (vi) of section 402(c)(8)(B)."

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 403(b) is amended by striking "section 408(d)(3)(A)(iii)" and inserting "section 408(d)(3)(A)(ii)".

(2) Clause (i) of section 408(d)(3)(D) is amended by striking "(i), (ii), or (iii)" and inserting "(i) or (ii)".

(3) Subparagraph (G) of section 408(d)(3) is amended to read as follows:

"(G) SIMPLE RETIREMENT ACCOUNTS.—In the case of any payment or distribution out of a simple retirement account (as defined in subsection (p)) to which section 72(t)(6) applies, this paragraph shall not apply unless such payment or distribution is paid into another simple retirement account."

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of the amendments made by this section.

#### SEC. 403. ROLLOVERS OF AFTER-TAX CONTRIBUTIONS.

(a) ROLLOVERS FROM EXEMPT TRUSTS.—Paragraph (2) of section 402(c) (relating to maximum amount which may be rolled over) is amended by adding at the end the following: "The preceding sentence shall not apply to such distribution to the extent—

"(A) such portion is transferred in a direct trustee-to-trustee transfer to a qualified trust which is part of a plan which is a defined contribution plan and which agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

"(B) such portion is transferred to an eligible retirement plan described in clause (i) or (ii) of paragraph (8)(B)."

(b) OPTIONAL DIRECT TRANSFER OF ELIGIBLE ROLLOVER DISTRIBUTIONS.—Subparagraph (B) of section 401(a)(31) (relating to limitation) is amended by adding at the end the following:

"The preceding sentence shall not apply to such distribution if the plan to which such distribution is transferred—

"(i) agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

"(ii) is an eligible retirement plan described in clause (i) or (ii) of section 402(c)(8)(B)."

(c) RULES FOR APPLYING SECTION 72 TO IRAS.—Paragraph (3) of section 408(d) (relating to special rules for applying section 72) is amended by inserting at the end the following:

"(H) APPLICATION OF SECTION 72.—

"(i) IN GENERAL.—If—

"(I) a distribution is made from an individual retirement plan, and

"(II) a rollover contribution is made to an eligible retirement plan described in section 402(c)(8)(B)(iii), (iv), (v), or (vi) with respect to all or part of such distribution,

then, notwithstanding paragraph (2), the rules of clause (ii) shall apply for purposes of applying section 72.

"(ii) APPLICABLE RULES.—In the case of a distribution described in clause (i)—

"(I) section 72 shall be applied separately to such distribution,

"(II) notwithstanding the pro rata allocation of income on, and investment in, the

contract to distributions under section 72, the portion of such distribution rolled over to an eligible retirement plan described in clause (i) shall be treated as from income on the contract (to the extent of the aggregate income on the contract from all individual retirement plans of the distributee), and

"(III) appropriate adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

#### SEC. 404. HARDSHIP EXCEPTION TO 60-DAY RULE.

(a) EXEMPT TRUSTS.—Paragraph (3) of section 402(c) (relating to transfer must be made within 60 days of receipt) is amended to read as follows:

"(3) TRANSFER MUST BE MADE WITHIN 60 DAYS OF RECEIPT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the distributee received the property distributed.

"(B) HARDSHIP EXCEPTION.—The Secretary may waive the 60-day requirement under subparagraph (A) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement."

(b) IRAS.—Paragraph (3) of section 408(d) (relating to rollover contributions), as amended by section 403, is amended by adding after subparagraph (H) the following new subparagraph:

"(I) WAIVER OF 60-DAY REQUIREMENT.—The Secretary may waive the 60-day requirement under subparagraphs (A) and (D) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

#### SEC. 405. TREATMENT OF FORMS OF DISTRIBUTION.

(a) PLAN TRANSFERS.—

(1) AMENDMENT OF INTERNAL REVENUE CODE.—Paragraph (6) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended by adding at the end the following:

"(D) PLAN TRANSFERS.—

"(i) IN GENERAL.—A defined contribution plan (in this subparagraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this subparagraph referred to as the 'transferor plan') to the extent that—

"(I) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan,

"(II) the terms of both the transferor plan and the transferee plan authorize the transfer described in subclause (I),

"(III) the transfer described in subclause (I) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan,

“(IV) the election described in subclause (III) was made after the participant or beneficiary received a notice describing the consequences of making the election, and

“(V) the transferee plan allows the participant or beneficiary described in subclause (III) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

“(ii) EXCEPTION.—Clause (i) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

“(E) ELIMINATION OF FORM OF DISTRIBUTION.—Except to the extent provided in regulations, a defined contribution plan shall not be treated as failing to meet the requirements of this section merely because of the elimination of a form of distribution previously available thereunder. This subparagraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

“(i) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated, and

“(ii) such single sum payment is based on the same or greater portion of the participant's account as the form of distribution being eliminated.”.

(2) AMENDMENT OF ERISA.—Section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)) is amended by adding at the end the following:

“(4)(A) A defined contribution plan (in this subparagraph referred to as the ‘transferee plan’) shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this subparagraph referred to as the ‘transferor plan’) to the extent that—

“(i) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan;

“(ii) the terms of both the transferor plan and the transferee plan authorize the transfer described in clause (i);

“(iii) the transfer described in clause (i) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan;

“(iv) the election described in clause (iii) was made after the participant or beneficiary received a notice describing the consequences of making the election; and

“(v) the transferee plan allows the participant or beneficiary described in clause (iii) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

“(B) Subparagraph (A) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

“(5) Except to the extent provided in regulations promulgated by the Secretary of the Treasury, a defined contribution plan shall not be treated as failing to meet the requirements of this subsection merely because of the elimination of a form of distribution previously available thereunder. This paragraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

“(A) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated; and

“(B) such single sum payment is based on the same or greater portion of the participant's account as the form of distribution being eliminated.”.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to years beginning after December 31, 2001.

(b) REGULATIONS.—

(1) AMENDMENT OF INTERNAL REVENUE CODE.—Paragraph (6)(B) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended by inserting after the second sentence the following new sentence: “The Secretary shall by regulations provide that this subparagraph shall not apply to any plan amendment which reduces or eliminates benefits or subsidies which create significant burdens or complexities for the plan and plan participants and does not adversely affect the rights of any participant in a more than de minimis manner.”.

(2) AMENDMENT OF ERISA.—Section 204(g)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)(2)) is amended by inserting before the last sentence the following new sentence: “The Secretary of the Treasury shall by regulations provide that this paragraph shall not apply to any plan amendment which reduces or eliminates benefits or subsidies which create significant burdens or complexities for the plan and plan participants and does not adversely affect the rights of any participant in a more than de minimis manner.”.

(3) SECRETARY DIRECTED.—Not later than December 31, 2003, the Secretary of the Treasury is directed to issue regulations under section 411(d)(6) of the Internal Revenue Code of 1986 and section 204(g) of the Employee Retirement Income Security Act of 1974, including the regulations required by the amendment made by this subsection. Such regulations shall apply to plan years beginning after December 31, 2003, or such earlier date as is specified by the Secretary of the Treasury.

#### SEC. 406. RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS.

(a) MODIFICATION OF SAME DESK EXCEPTION.—

(1) SECTION 401(k).—

(A) Section 401(k)(2)(B)(i)(I) (relating to qualified cash or deferred arrangements) is amended by striking “separation from service” and inserting “severance from employment”.

(B) Subparagraph (A) of section 401(k)(10) (relating to distributions upon termination of plan or disposition of assets or subsidiary) is amended to read as follows:

“(A) IN GENERAL.—An event described in this subparagraph is the termination of the plan without establishment or maintenance of another defined contribution plan (other than an employee stock ownership plan as defined in section 4975(e)(7)).”.

(C) Section 401(k)(10) is amended—

(i) in subparagraph (B)—

(I) by striking “An event” in clause (i) and inserting “A termination”; and

(II) by striking “the event” in clause (i) and inserting “the termination”;

(ii) by striking subparagraph (C); and

(iii) by striking “OR DISPOSITION OF ASSETS OR SUBSIDIARY” in the heading.

(2) SECTION 403(b).—

(A) Paragraphs (7)(A)(ii) and (11)(A) of section 403(b) are each amended by striking “separates from service” and inserting “has a severance from employment”.

(B) The heading for paragraph (11) of section 403(b) is amended by striking “SEPARA-

TION FROM SERVICE” and inserting “SEVERANCE FROM EMPLOYMENT”.

(3) SECTION 457.—Clause (ii) of section 457(d)(1)(A) is amended by striking “is separated from service” and inserting “has a severance from employment”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2001.

#### SEC. 407. PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS.

(a) 403(b) PLANS.—Subsection (b) of section 403 is amended by adding at the end the following new paragraph:

“(13) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

“(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

“(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.”.

(b) 457 PLANS.—Subsection (e) of section 457 is amended by adding after paragraph (16) the following new paragraph:

“(17) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

“(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

“(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to trustee-to-trustee transfers after December 31, 2001.

#### SEC. 408. EMPLOYERS MAY DISREGARD ROLLOVERS FOR PURPOSES OF CASH-OUT AMOUNTS.

(a) QUALIFIED PLANS.—

(1) AMENDMENT OF INTERNAL REVENUE CODE.—Section 411(a)(11) (relating to restrictions on certain mandatory distributions) is amended by adding at the end the following:

“(D) SPECIAL RULE FOR ROLLOVER CONTRIBUTIONS.—A plan shall not fail to meet the requirements of this paragraph if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term ‘rollover contributions’ means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16).”.

(2) AMENDMENT OF ERISA.—Section 203(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(c)) is amended by adding at the end the following:

“(4) A plan shall not fail to meet the requirements of this subsection if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term ‘rollover contributions’ means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16) of the Internal Revenue Code of 1986.”.

(b) ELIGIBLE DEFERRED COMPENSATION PLANS.—Clause (i) of section 457(e)(9)(A) is amended by striking “such amount” and inserting “the portion of such amount which is not attributable to rollover contributions (as defined in section 411(a)(11)(D))”.



(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions after December 31, 2001.

**SEC. 409. MINIMUM DISTRIBUTION AND INCLUSION REQUIREMENTS FOR SECTION 457 PLANS.**

(a) **MINIMUM DISTRIBUTION REQUIREMENTS.**—Paragraph (2) of section 457(d) (relating to distribution requirements) is amended to read as follows:

“(2) **MINIMUM DISTRIBUTION REQUIREMENTS.**—A plan meets the minimum distribution requirements of this paragraph if such plan meets the requirements of section 401(a)(9).”.

(b) **INCLUSION IN GROSS INCOME.**—

(1) **YEAR OF INCLUSION.**—Subsection (a) of section 457 (relating to year of inclusion in gross income) is amended to read as follows:

“(a) **YEAR OF INCLUSION IN GROSS INCOME.**—

“(1) **IN GENERAL.**—Any amount of compensation deferred under an eligible deferred compensation plan, and any income attributable to the amounts so deferred, shall be includible in gross income only for the taxable year in which such compensation or other income—

“(A) is paid to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(A), and

“(B) is paid or otherwise made available to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(B).

“(2) **SPECIAL RULE FOR ROLLOVER AMOUNTS.**—To the extent provided in section 72(t)(9), section 72(t) shall apply to any amount includible in gross income under this subsection.”.

(2) **CONFORMING AMENDMENTS.**—

(A) So much of paragraph (9) of section 457(e) as precedes subparagraph (A) is amended to read as follows:

“(9) **BENEFITS OF TAX EXEMPT ORGANIZATION PLANS NOT TREATED AS MADE AVAILABLE BY REASON OF CERTAIN ELECTIONS, ETC.**—In the case of an eligible deferred compensation plan of an employer described in subsection (e)(1)(B)—”.

(B) Section 457(d) is amended by adding at the end the following new paragraph:

“(3) **SPECIAL RULE FOR GOVERNMENT PLAN.**—An eligible deferred compensation plan of an employer described in subsection (e)(1)(A) shall not be treated as failing to meet the requirements of this subsection solely by reason of making a distribution described in subsection (e)(9)(A).”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to distributions after December 31, 2001.

**TITLE V—STRENGTHENING PENSION SECURITY AND ENFORCEMENT**

**SEC. 501. REPEAL OF PERCENT OF CURRENT LIABILITY FUNDING LIMIT.**

(a) **AMENDMENT OF INTERNAL REVENUE CODE.**—Section 412(c)(7) (relating to full-funding limitation) is amended—

(1) by striking “the applicable percentage” in subparagraph (A)(i)(I) and inserting “in the case of plan years beginning before January 1, 2004, the applicable percentage”; and

(2) by amending subparagraph (F) to read as follows:

“(F) **APPLICABLE PERCENTAGE.**—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

<b>In the case of any plan year beginning in—</b>	<b>The applicable percentage is—</b>
2002 .....	165
2003 .....	170.”.

(b) **AMENDMENT OF ERISA.**—Section 302(c)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1082(c)(7)) is amended—

(1) by striking “the applicable percentage” in subparagraph (A)(i)(I) and inserting “in the case of plan years beginning before January 1, 2004, the applicable percentage”; and

(2) by amending subparagraph (F) to read as follows:

“(F) **APPLICABLE PERCENTAGE.**—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

<b>In the case of any plan year beginning in—</b>	<b>The applicable percentage is—</b>
2002 .....	165
2003 .....	170.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

**SEC. 502. MAXIMUM CONTRIBUTION DEDUCTION RULES MODIFIED AND APPLIED TO ALL DEFINED BENEFIT PLANS.**

(a) **IN GENERAL.**—Subparagraph (D) of section 404(a)(1) (relating to special rule in case of certain plans) is amended to read as follows:

“(D) **SPECIAL RULE IN CASE OF CERTAIN PLANS.**—

“(i) **IN GENERAL.**—In the case of any defined benefit plan, except as provided in regulations, the maximum amount deductible under the limitations of this paragraph shall not be less than the unfunded termination liability (determined as if the proposed termination date referred to in section 4041(b)(2)(A)(i)(II) of the Employee Retirement Income Security Act of 1974 were the last day of the plan year).

“(ii) **PLANS WITH LESS THAN 100 PARTICIPANTS.**—For purposes of this subparagraph, in the case of a plan which has less than 100 participants for the plan year, termination liability shall not include the liability attributable to benefit increases for highly compensated employees (as defined in section 414(q)) resulting from a plan amendment which is made or becomes effective, whichever is later, within the last 2 years before the termination date.

“(iii) **RULE FOR DETERMINING NUMBER OF PARTICIPANTS.**—For purposes of determining whether a plan has more than 100 participants, all defined benefit plans maintained by the same employer (or any member of such employer’s controlled group (within the meaning of section 412(l)(8)(C))) shall be treated as one plan, but only employees of such member or employer shall be taken into account.

“(iv) **PLANS MAINTAINED BY PROFESSIONAL SERVICE EMPLOYERS.**—Clause (i) shall not apply to a plan described in section 4021(b)(13) of the Employee Retirement Income Security Act of 1974.”.

(b) **CONFORMING AMENDMENT.**—Paragraph (6) of section 4972(c), as amended by section 207, is amended to read as follows:

“(6) **EXCEPTIONS.**—In determining the amount of nondeductible contributions for any taxable year, there shall not be taken into account so much of the contributions to one or more defined contribution plans which are not deductible when contributed solely because of section 404(a)(7) as does not exceed the greater of—

“(A) the amount of contributions not in excess of 6 percent of compensation (within the meaning of section 404(a)) paid or accrued (during the taxable year for which the contributions were made) to beneficiaries under the plans, or

“(B) the sum of—

“(i) the amount of contributions described in section 401(m)(4)(A), plus

“(ii) the amount of contributions described in section 402(g)(3)(A).

For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to a de-

finied benefit plan and then to amounts described in subparagraph (B).”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

**SEC. 503. EXCISE TAX RELIEF FOR SOUND PENSION FUNDING.**

(a) **IN GENERAL.**—Subsection (c) of section 4972 (relating to nondeductible contributions) is amended by adding at the end the following new paragraph:

“(7) **DEFINED BENEFIT PLAN EXCEPTION.**—In determining the amount of nondeductible contributions for any taxable year, an employer may elect for such year not to take into account any contributions to a defined benefit plan except to the extent that such contributions exceed the full-funding limitation (as defined in section 412(c)(7), determined without regard to subparagraph (A)(i)(I) thereof). For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to defined contribution plans and then to amounts described in this paragraph. If an employer makes an election under this paragraph for a taxable year, paragraph (6) shall not apply to such employer for such taxable year.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to years beginning after December 31, 2001.

**SEC. 504. EXCISE TAX ON FAILURE TO PROVIDE NOTICE BY DEFINED BENEFIT PLANS SIGNIFICANTLY REDUCING FUTURE BENEFIT ACCRUALS.**

(a) **AMENDMENT OF INTERNAL REVENUE CODE.**—

(1) **IN GENERAL.**—Chapter 43 (relating to qualified pension, etc., plans) is amended by adding at the end the following new section:

**“SEC. 4980F. FAILURE OF APPLICABLE PLANS REDUCING BENEFIT ACCRUALS TO SATISFY NOTICE REQUIREMENTS.**

“(a) **IMPOSITION OF TAX.**—There is hereby imposed a tax on the failure of any applicable pension plan to meet the requirements of subsection (e) with respect to any applicable individual.

“(b) **AMOUNT OF TAX.**—

“(1) **IN GENERAL.**—The amount of the tax imposed by subsection (a) on any failure with respect to any applicable individual shall be \$100 for each day in the noncompliance period with respect to such failure.

“(2) **NONCOMPLIANCE PERIOD.**—For purposes of this section, the term ‘noncompliance period’ means, with respect to any failure, the period beginning on the date the failure first occurs and ending on the date the notice to which the failure relates is provided or the failure is otherwise corrected.

“(c) **LIMITATIONS ON AMOUNT OF TAX.**—

“(1) **TAX NOT TO APPLY WHERE FAILURE NOT DISCOVERED AND REASONABLE DILIGENCE EXERCISED.**—No tax shall be imposed by subsection (a) on any failure during any period for which it is established to the satisfaction of the Secretary that any person subject to liability for the tax under subsection (d) did not know that the failure existed and exercised reasonable diligence to meet the requirements of subsection (e).

“(2) **TAX NOT TO APPLY TO FAILURES CORRECTED WITHIN 30 DAYS.**—No tax shall be imposed by subsection (a) on any failure if—

“(A) any person subject to liability for the tax under subsection (d) exercised reasonable diligence to meet the requirements of subsection (e), and

“(B) such person provides the notice described in subsection (e) during the 30-day period beginning on the first date such person knew, or exercising reasonable diligence would have known, that such failure existed.

“(3) **OVERALL LIMITATION FOR UNINTENTIONAL FAILURES.**—

“(A) IN GENERAL.—If the person subject to liability for tax under subsection (d) exercised reasonable diligence to meet the requirements of subsection (e), the tax imposed by subsection (a) for failures during the taxable year of the employer (or, in the case of a multiemployer plan, the taxable year of the trust forming part of the plan) shall not exceed \$500,000. For purposes of the preceding sentence, all multiemployer plans of which the same trust forms a part shall be treated as 1 plan.

“(B) TAXABLE YEARS IN THE CASE OF CERTAIN CONTROLLED GROUPS.—For purposes of this paragraph, if all persons who are treated as a single employer for purposes of this section do not have the same taxable year, the taxable years taken into account shall be determined under principles similar to the principles of section 1561.

“(4) WAIVER BY SECRETARY.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that the payment of such tax would be excessive or otherwise inequitable relative to the failure involved.

“(d) LIABILITY FOR TAX.—The following shall be liable for the tax imposed by subsection (a):

“(1) In the case of a plan other than a multiemployer plan, the employer.

“(2) In the case of a multiemployer plan, the plan.

“(e) NOTICE REQUIREMENTS FOR PLANS SIGNIFICANTLY REDUCING BENEFIT ACCRUALS.—

“(1) IN GENERAL.—If an applicable pension plan is amended to provide for a significant reduction in the rate of future benefit accrual, the plan administrator shall provide written notice to each applicable individual (and to each employee organization representing applicable individuals).

“(2) NOTICE.—The notice required by paragraph (1) shall be written in a manner calculated to be understood by the average plan participant and shall provide sufficient information (as determined in accordance with regulations prescribed by the Secretary) to allow applicable individuals to understand the effect of the plan amendment. The Secretary may provide a simplified form of notice for, or exempt from any notice requirement, a plan—

“(A) which has fewer than 100 participants who have accrued a benefit under the plan, or

“(B) which offers participants the option to choose between the new benefit formula and the old benefit formula.

“(3) TIMING OF NOTICE.—Except as provided in regulations, the notice required by paragraph (1) shall be provided within a reasonable time before the effective date of the plan amendment.

“(4) DESIGNEES.—Any notice under paragraph (1) may be provided to a person designated, in writing, by the person to which it would otherwise be provided.

“(5) NOTICE BEFORE ADOPTION OF AMENDMENT.—A plan shall not be treated as failing to meet the requirements of paragraph (1) merely because notice is provided before the adoption of the plan amendment if no material modification of the amendment occurs before the amendment is adopted.

“(f) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) APPLICABLE INDIVIDUAL.—The term ‘applicable individual’ means, with respect to any plan amendment—

“(A) each participant in the plan, and

“(B) any beneficiary who is an alternate payee (within the meaning of section 414(p)(8)) under an applicable qualified domestic relations order (within the meaning of section 414(p)(1)(A)),

whose rate of future benefit accrual under the plan may reasonably be expected to be significantly reduced by such plan amendment.

“(2) APPLICABLE PENSION PLAN.—The term ‘applicable pension plan’ means—

“(A) any defined benefit plan, or

“(B) an individual account plan which is subject to the funding standards of section 412.

Such term shall not include a governmental plan (within the meaning of section 414(d)) or a church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made.

“(3) EARLY RETIREMENT.—A plan amendment which eliminates or significantly reduces any early retirement benefit or retirement-type subsidy (within the meaning of section 411(d)(6)(B)(i)) shall be treated as having the effect of significantly reducing the rate of future benefit accrual.

“(g) NEW TECHNOLOGIES.—The Secretary may by regulations allow any notice under subsection (e) to be provided by using new technologies.”.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 43 is amended by adding at the end the following new item:

“Sec. 4980F. Failure of applicable plans reducing benefit accruals to satisfy notice requirements.”.

(b) AMENDMENT OF ERISA.—Section 204(h) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(h)) is amended by adding at the end the following new paragraphs:

“(3)(A) An applicable pension plan to which paragraph (1) applies shall not be treated as meeting the requirements of such paragraph unless, in addition to any notice required to be provided to an individual or organization under such paragraph, the plan administrator provides the notice described in subparagraph (B) to each applicable individual (and to each employee organization representing applicable individuals).

“(B) The notice required by subparagraph (A) shall be written in a manner calculated to be understood by the average plan participant and shall provide sufficient information (as determined in accordance with regulations prescribed by the Secretary of the Treasury) to allow applicable individuals to understand the effect of the plan amendment. The Secretary of the Treasury may provide a simplified form of notice for, or exempt from any notice requirement, a plan—

“(i) which has fewer than 100 participants who have accrued a benefit under the plan, or

“(ii) which offers participants the option to choose between the new benefit formula and the old benefit formula.

“(C) Except as provided in regulations prescribed by the Secretary of the Treasury, the notice required by subparagraph (A) shall be provided within a reasonable time before the effective date of the plan amendment.

“(D) Any notice under subparagraph (A) may be provided to a person designated, in writing, by the person to which it would otherwise be provided.

“(E) A plan shall not be treated as failing to meet the requirements of subparagraph (A) merely because notice is provided before the adoption of the plan amendment if no material modification of the amendment occurs before the amendment is adopted.

“(F) The Secretary of the Treasury may by regulations allow any notice under this paragraph to be provided by using new technologies.

“(4) For purposes of paragraph (3)—

“(A) The term ‘applicable individual’ means, with respect to any plan amendment—

“(i) each participant in the plan; and

“(ii) any beneficiary who is an alternate payee (within the meaning of section 206(d)(3)(K)) under an applicable qualified domestic relations order (within the meaning of section 206(d)(3)(B)(i)),

whose rate of future benefit accrual under the plan may reasonably be expected to be significantly reduced by such plan amendment.

“(B) The term ‘applicable pension plan’ means—

“(i) any defined benefit plan; or

“(ii) an individual account plan which is subject to the funding standards of section 412 of the Internal Revenue Code of 1986.

“(C) A plan amendment which eliminates or significantly reduces any early retirement benefit or retirement-type subsidy (within the meaning of subsection (g)(2)(A)) shall be treated as having the effect of significantly reducing the rate of future benefit accrual.”.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan amendments taking effect on or after the date of the enactment of this Act.

(2) TRANSITION.—Until such time as the Secretary of the Treasury issues regulations under sections 4980F(e)(2) and (3) of the Internal Revenue Code of 1986, and section 204(h)(3) of the Employee Retirement Income Security Act of 1974, as added by the amendments made by this section, a plan shall be treated as meeting the requirements of such sections if it makes a good faith effort to comply with such requirements.

(3) SPECIAL NOTICE RULE.—

(A) IN GENERAL.—The period for providing any notice required by the amendments made by this section shall not end before the date which is 3 months after the date of the enactment of this Act.

(B) REASONABLE NOTICE.—The amendments made by this section shall not apply to any plan amendment taking effect on or after the date of the enactment of this Act if, before April 25, 2001, notice was provided to participants and beneficiaries adversely affected by the plan amendment (or their representatives) which was reasonably expected to notify them of the nature and effective date of the plan amendment.

(d) STUDY.—The Secretary of the Treasury shall prepare a report on the effects of conversions of traditional defined benefit plans to cash balance or hybrid formula plans. Such study shall examine the effect of such conversions on longer service participants, including the incidence and effects of “wear away” provisions under which participants earn no additional benefits for a period of time after the conversion. As soon as practicable, but not later than 60 days after the date of the enactment of this Act, the Secretary shall submit such report, together with recommendations thereon, to the Committee on Ways and Means and the Committee on Education and the Workforce of the House of Representatives and the Committee on Finance and the Committee on Health, Education, Labor, and Pensions of the Senate.

#### SEC. 505. TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) COMPENSATION LIMIT.—

(1) IN GENERAL.—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

“(11) SPECIAL LIMITATION RULE FOR GOVERNMENTAL AND MULTIEMPLOYER PLANS.—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply.”.

(2) CONFORMING AMENDMENT.—Section 415(b)(7) (relating to benefits under certain

collectively bargained plans) is amended by inserting "(other than a multiemployer plan)" after "defined benefit plan" in the matter preceding subparagraph (A).

(b) COMBINING AND AGGREGATION OF PLANS.—

(1) COMBINING OF PLANS.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

"(3) EXCEPTION FOR MULTIEMPLOYER PLANS.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated—

"(A) with any other plan which is not a multiemployer plan for purposes of applying subsection (b)(1)(B) to such other plan, or

"(B) with any other multiemployer plan for purposes of applying the limitations established in this section."

(2) CONFORMING AMENDMENT FOR AGGREGATION OF PLANS.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking "The Secretary" and inserting "Except as provided in subsection (f)(3), the Secretary".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 2001.

#### SEC. 506. PROTECTION OF INVESTMENT OF EMPLOYEE CONTRIBUTIONS TO 401(K) PLANS.

(a) IN GENERAL.—Section 1524(b) of the Taxpayer Relief Act of 1997 is amended to read as follows:

"(b) EFFECTIVE DATE.—

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to elective deferrals for plan years beginning after December 31, 1998.

"(2) NONAPPLICATION TO PREVIOUSLY ACQUIRED PROPERTY.—The amendments made by this section shall not apply to any elective deferral which is invested in assets consisting of qualifying employer securities, qualifying employer real property, or both, if such assets were acquired before January 1, 1999."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply as if included in the provision of the Taxpayer Relief Act of 1997 to which it relates.

#### SEC. 507. PERIODIC PENSION BENEFITS STATEMENTS.

(a) IN GENERAL.—Section 105(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025 (a)) is amended to read as follows:

"SEC. 105. (a)(1)(A) The administrator of an individual account plan shall furnish a pension benefit statement—

"(i) to a plan participant at least once annually, and

"(ii) to a plan beneficiary upon written request.

"(B) The administrator of a defined benefit plan shall furnish a pension benefit statement—

"(i) at least once every 3 years to each participant with a nonforfeitable accrued benefit who is employed by the employer maintaining the plan at the time the statement is furnished to participants, and

"(ii) to a plan participant or plan beneficiary of the plan upon written request.

"(2) A pension benefit statement under paragraph (1)—

"(A) shall indicate, on the basis of the latest available information—

"(i) the total benefits accrued, and

"(ii) the nonforfeitable pension benefits, if any, which have accrued, or the earliest date on which benefits will become nonforfeitable,

"(B) shall be written in a manner calculated to be understood by the average plan participant, and

"(C) may be provided in written, electronic, or other appropriate form.

"(3)(A) In the case of a defined benefit plan, the requirements of paragraph (1)(B)(i) shall be treated as met with respect to a participant if the administrator provides the participant at least once each year with notice of the availability of the pension benefit statement and the ways in which the participant may obtain such statement. Such notice shall be provided in written, electronic, or other appropriate form, and may be included with other communications to the participant if done in a manner reasonably designed to attract the attention of the participant.

"(B) The Secretary may provide that years in which no employee or former employee benefits (within the meaning of section 410(b) of the Internal Revenue Code of 1986) under the plan need not be taken into account in determining the 3-year period under paragraph (1)(B)(i)."

(b) CONFORMING AMENDMENTS.—

(1) Section 105 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025) is amended by striking subsection (d).

(2) Section 105(b) of such Act (29 U.S.C. 1025(b)) is amended to read as follows:

"(b) In no case shall a participant or beneficiary of a plan be entitled to more than one statement described in subsection (a)(1)(A) or (a)(1)(B)(ii), whichever is applicable, in any 12-month period."

(c) MODEL STATEMENTS.—The Secretary of Labor shall develop a model benefit statement, written in a manner calculated to be understood by the average plan participant, that may be used by plan administrators in complying with the requirements of section 105 of the Employee Retirement Income Security Act of 1974.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2002.

#### SEC. 508. PROHIBITED ALLOCATIONS OF STOCK IN S CORPORATION ESOP.

(a) IN GENERAL.—Section 409 (relating to qualifications for tax credit employee stock ownership plans) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

"(p) PROHIBITED ALLOCATIONS OF SECURITIES IN AN S CORPORATION.—

"(1) IN GENERAL.—An employee stock ownership plan holding employer securities consisting of stock in an S corporation shall provide that no portion of the assets of the plan attributable to (or allocable in lieu of) such employer securities may, during a non-allocation year, accrue (or be allocated directly or indirectly under any plan of the employer meeting the requirements of section 401(a)) for the benefit of any disqualified person.

"(2) FAILURE TO MEET REQUIREMENTS.—

"(A) IN GENERAL.—If a plan fails to meet the requirements of paragraph (1), the plan shall be treated as having distributed to any disqualified person the amount allocated to the account of such person in violation of paragraph (1) at the time of such allocation.

"(B) CROSS REFERENCE.—

"For excise tax relating to violations of paragraph (1) and ownership of synthetic equity, see section 4979A.

"(3) NONALLOCATION YEAR.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'nonallocation year' means any plan year of an employee stock ownership plan if, at any time during such plan year—

"(i) such plan holds employer securities consisting of stock in an S corporation, and

"(ii) disqualified persons own at least 50 percent of the number of shares of stock in the S corporation.

"(B) ATTRIBUTION RULES.—For purposes of subparagraph (A)—

"(i) IN GENERAL.—The rules of section 318(a) shall apply for purposes of determining ownership, except that—

"(I) in applying paragraph (1) thereof, the members of an individual's family shall include members of the family described in paragraph (4)(D), and

"(II) paragraph (4) thereof shall not apply.

"(ii) DEEMED-OWNED SHARES.—Notwithstanding the employee trust exception in section 318(a)(2)(B)(i), individual shall be treated as owning deemed-owned shares of the individual.

Solely for purposes of applying paragraph (5), this subparagraph shall be applied after the attribution rules of paragraph (5) have been applied.

"(4) DISQUALIFIED PERSON.—For purposes of this subsection—

"(A) IN GENERAL.—The term 'disqualified person' means any person if—

"(i) the aggregate number of deemed-owned shares of such person and the members of such person's family is at least 20 percent of the number of deemed-owned shares of stock in the S corporation, or

"(ii) in the case of a person not described in clause (i), the number of deemed-owned shares of such person is at least 10 percent of the number of deemed-owned shares of stock in such corporation.

"(B) TREATMENT OF FAMILY MEMBERS.—In the case of a disqualified person described in subparagraph (A)(i), any member of such person's family with deemed-owned shares shall be treated as a disqualified person if not otherwise treated as a disqualified person under subparagraph (A).

"(C) DEEMED-OWNED SHARES.—

"(i) IN GENERAL.—The term 'deemed-owned shares' means, with respect to any person—

"(I) the stock in the S corporation constituting employer securities of an employee stock ownership plan which is allocated to such person under the plan, and

"(II) such person's share of the stock in such corporation which is held by such plan but which is not allocated under the plan to participants.

"(ii) PERSON'S SHARE OF UNALLOCATED STOCK.—For purposes of clause (i)(II), a person's share of unallocated S corporation stock held by such plan is the amount of the unallocated stock which would be allocated to such person if the unallocated stock were allocated to all participants in the same proportions as the most recent stock allocation under the plan.

"(D) MEMBER OF FAMILY.—For purposes of this paragraph, the term 'member of the family' means, with respect to any individual—

"(i) the spouse of the individual,

"(ii) an ancestor or lineal descendant of the individual or the individual's spouse,

"(iii) a brother or sister of the individual or the individual's spouse and any lineal descendant of the brother or sister, and

"(iv) the spouse of any individual described in clause (ii) or (iii).

A spouse of an individual who is legally separated from such individual under a decree of divorce or separate maintenance shall not be treated as such individual's spouse for purposes of this subparagraph.

"(5) TREATMENT OF SYNTHETIC EQUITY.—For purposes of paragraphs (3) and (4), in the case of a person who owns synthetic equity in the S corporation, except to the extent provided in regulations, the shares of stock in such corporation on which such synthetic equity is based shall be treated as outstanding stock in such corporation and deemed-owned shares of such person if such treatment of synthetic equity of 1 or more such persons results in—

“(A) the treatment of any person as a disqualified person, or

“(B) the treatment of any year as a non-allocation year.

For purposes of this paragraph, synthetic equity shall be treated as owned by a person in the same manner as stock is treated as owned by a person under the rules of paragraphs (2) and (3) of section 318(a). If, without regard to this paragraph, a person is treated as a disqualified person or a year is treated as a nonallocation year, this paragraph shall not be construed to result in the person or year not being so treated.

“(6) DEFINITIONS.—For purposes of this subsection—

“(A) EMPLOYEE STOCK OWNERSHIP PLAN.—The term ‘employee stock ownership plan’ has the meaning given such term by section 4975(e)(7).

“(B) EMPLOYER SECURITIES.—The term ‘employer security’ has the meaning given such term by section 409(l).

“(C) SYNTHETIC EQUITY.—The term ‘synthetic equity’ means any stock option, warrant, restricted stock, deferred issuance stock right, or similar interest or right that gives the holder the right to acquire or receive stock of the S corporation in the future. Except to the extent provided in regulations, synthetic equity also includes a stock appreciation right, phantom stock unit, or similar right to a future cash payment based on the value of such stock or appreciation in such value.

“(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.”

(b) COORDINATION WITH SECTION 4975(e)(7).—The last sentence of section 4975(e)(7) (defining employee stock ownership plan) is amended by inserting “, section 409(p),” after “409(n).”

(c) EXCISE TAX.—

(1) APPLICATION OF TAX.—Subsection (a) of section 4979A (relating to tax on certain prohibited allocations of employer securities) is amended—

(A) by striking “or” at the end of paragraph (1), and

(B) by striking all that follows paragraph (2) and inserting the following:

“(3) there is any allocation of employer securities which violates the provisions of section 409(p), or a nonallocation year described in subsection (e)(2)(C) with respect to an employee stock ownership plan, or

“(4) any synthetic equity is owned by a disqualified person in any nonallocation year, there is hereby imposed a tax on such allocation or ownership equal to 50 percent of the amount involved.”

(2) LIABILITY.—Section 4979A(c) (defining liability for tax) is amended to read as follows:

“(c) LIABILITY FOR TAX.—The tax imposed by this section shall be paid—

“(1) in the case of an allocation referred to in paragraph (1) or (2) of subsection (a), by—

“(A) the employer sponsoring such plan, or

“(B) the eligible worker-owned cooperative, which made the written statement described in section 664(g)(1)(E) or in section 1042(b)(3)(B) (as the case may be), and

“(2) in the case of an allocation or ownership referred to in paragraph (3) or (4) of subsection (a), by the S corporation the stock in which was so allocated or owned.”

(3) DEFINITIONS.—Section 4979A(e) (relating to definitions) is amended to read as follows:

“(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

“(1) DEFINITIONS.—Except as provided in paragraph (2), terms used in this section have the same respective meanings as when used in sections 409 and 4978.

“(2) SPECIAL RULES RELATING TO TAX IMPOSED BY REASON OF PARAGRAPH (3) OR (4) OF SUBSECTION (a).—

“(A) PROHIBITED ALLOCATIONS.—The amount involved with respect to any tax imposed by reason of subsection (a)(3) is the amount allocated to the account of any person in violation of section 409(p)(1).

“(B) SYNTHETIC EQUITY.—The amount involved with respect to any tax imposed by reason of subsection (a)(4) is the value of the shares on which the synthetic equity is based.

“(C) SPECIAL RULE DURING FIRST NON-ALLOCATION YEAR.—For purposes of subparagraph (A), the amount involved for the first nonallocation year of any employee stock ownership plan shall be determined by taking into account the total value of all the deemed-owned shares of all disqualified persons with respect to such plan.

“(D) STATUTE OF LIMITATIONS.—The statutory period for the assessment of any tax imposed by this section by reason of paragraph (3) or (4) of subsection (a) shall not expire before the date which is 3 years from the later of—

“(i) the allocation or ownership referred to in such paragraph giving rise to such tax, or

“(ii) the date on which the Secretary is notified of such allocation or ownership.”

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2004.

(2) EXCEPTION FOR CERTAIN PLANS.—In the case of any—

(A) employee stock ownership plan established after March 14, 2001, or

(B) employee stock ownership plan established on or before such date if employer securities held by the plan consist of stock in a corporation with respect to which an election under section 1362(a) of the Internal Revenue Code of 1986 is not in effect on such date,

the amendments made by this section shall apply to plan years ending after March 14, 2001.

## TITLE VI—REDUCING REGULATORY BURDENS

### SEC. 601. MODIFICATION OF TIMING OF PLAN VALUATIONS.

(a) AMENDMENT OF INTERNAL REVENUE CODE.—Paragraph (9) of section 412(c) (relating to annual valuation) is amended to read as follows:

“(9) ANNUAL VALUATION.—

“(A) IN GENERAL.—For purposes of this section, a determination of experience gains and losses and a valuation of the plan’s liability shall be made not less frequently than once every year, except that such determination shall be made more frequently to the extent required in particular cases under regulations prescribed by the Secretary.

“(B) VALUATION DATE.—

“(i) CURRENT YEAR.—Except as provided in clause (ii), the valuation referred to in subparagraph (A) shall be made as of a date within the plan year to which the valuation refers or within one month prior to the beginning of such year.

“(ii) ELECTION TO USE PRIOR YEAR VALUATION.—The valuation referred to in subparagraph (A) may be made as of a date within the plan year prior to the year to which the valuation refers if—

“(I) an election is in effect under this clause with respect to the plan, and

“(II) as of such date, the value of the assets of the plan are not less than 125 percent of the plan’s current liability (as defined in paragraph (7)(B)).

“(iii) ADJUSTMENTS.—Information under clause (ii) shall, in accordance with regula-

tions, be actuarially adjusted to reflect significant differences in participants.

“(iv) ELECTION.—An election under clause (ii), once made, shall be irrevocable without the consent of the Secretary.”

(b) AMENDMENT OF ERISA.—Paragraph (9) of section 302(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(c)) is amended—

(1) by inserting “(A)” after “(9)”; and

(2) by adding at the end the following:

“(B)(i) Except as provided in clause (ii), the valuation referred to in subparagraph (A) shall be made as of a date within the plan year to which the valuation refers or within one month prior to the beginning of such year.

“(ii) The valuation referred to in subparagraph (A) may be made as of a date within the plan year prior to the year to which the valuation refers if—

“(I) an election is in effect under this clause with respect to the plan; and

“(II) as of such date, the value of the assets of the plan are not less than 125 percent of the plan’s current liability (as defined in paragraph (7)(B)).

“(iii) Information under clause (ii) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

“(iv) An election under clause (ii), once made, shall be irrevocable without the consent of the Secretary of the Treasury.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

### SEC. 602. ESOP DIVIDENDS MAY BE REINVESTED WITHOUT LOSS OF DIVIDEND DEDUCTION.

(a) IN GENERAL.—Section 404(k)(2)(A) (defining applicable dividends) is amended by striking “or” at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

“(iii) is, at the election of such participants or their beneficiaries—

“(I) payable as provided in clause (i) or (ii), or

“(II) paid to the plan and reinvested in qualifying employer securities, or”.

(b) STANDARDS FOR DISALLOWANCE.—Section 404(k)(5)(A) (relating to disallowance of deduction) is amended by inserting “avoidance or” before “evasion”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

### SEC. 603. REPEAL OF TRANSITION RULE RELATING TO CERTAIN HIGHLY COMPENSATED EMPLOYEES.

(a) IN GENERAL.—Paragraph (4) of section 1114(c) of the Tax Reform Act of 1986 is hereby repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to plan years beginning after December 31, 2001.

### SEC. 604. EMPLOYEES OF TAX-EXEMPT ENTITIES.

(a) IN GENERAL.—The Secretary of the Treasury shall modify Treasury Regulations section 1.410(b)-6(g) to provide that employees of an organization described in section 403(b)(1)(A)(i) of the Internal Revenue Code of 1986 who are eligible to make contributions under section 403(b) of such Code pursuant to a salary reduction agreement may be treated as excludable with respect to a plan under section 401(k) or (m) of such Code that is provided under the same general arrangement as a plan under such section 401(k), if—

(1) no employee of an organization described in section 403(b)(1)(A)(i) of such Code is eligible to participate in such section 401(k) plan or section 401(m) plan; and

(2) 95 percent of the employees who are not employees of an organization described in

section 403(b)(1)(A)(i) of such Code are eligible to participate in such plan under such section 401(k) or (m).

(b) **EFFECTIVE DATE.**—The modification required by subsection (a) shall apply as of the same date set forth in section 1426(b) of the Small Business Job Protection Act of 1996.

**SEC. 605. CLARIFICATION OF TREATMENT OF EMPLOYER-PROVIDED RETIREMENT ADVICE.**

(a) **IN GENERAL.**—Subsection (a) of section 132 (relating to exclusion from gross income) is amended by striking “or” at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting “, or”, and by adding at the end the following new paragraph:

“(7) qualified retirement planning services.”.

(b) **QUALIFIED RETIREMENT PLANNING SERVICES DEFINED.**—Section 132 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following:

“(m) **QUALIFIED RETIREMENT PLANNING SERVICES.**—

“(1) **IN GENERAL.**—For purposes of this section, the term ‘qualified retirement planning services’ means any retirement planning advice or information provided to an employee and his spouse by an employer maintaining a qualified employer plan.

“(2) **NONDISCRIMINATION RULE.**—Subsection (a)(7) shall apply in the case of highly compensated employees only if such services are available on substantially the same terms to each member of the group of employees normally provided education and information regarding the employer’s qualified employer plan.

“(3) **QUALIFIED EMPLOYER PLAN.**—For purposes of this subsection, the term ‘qualified employer plan’ means a plan, contract, pension, or account described in section 219(g)(5).”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to years beginning after December 31, 2001.

**SEC. 606. REPORTING SIMPLIFICATION.**

(a) **SIMPLIFIED ANNUAL FILING REQUIREMENT FOR OWNERS AND THEIR SPOUSES.**—

(1) **IN GENERAL.**—The Secretary of the Treasury and the Secretary of Labor shall modify the requirements for filing annual returns with respect to one-participant retirement plans to ensure that such plans with assets of \$250,000 or less as of the close of the plan year need not file a return for that year.

(2) **ONE-PARTICIPANT RETIREMENT PLAN DEFINED.**—For purposes of this subsection, the term “one-participant retirement plan” means a retirement plan that—

(A) on the first day of the plan year—

(i) covered only the employer (and the employer’s spouse) and the employer owned the entire business (whether or not incorporated); or

(ii) covered only one or more partners (and their spouses) in a business partnership (including partners in an S or C corporation);

(B) meets the minimum coverage requirements of section 410(b) of the Internal Revenue Code of 1986 without being combined with any other plan of the business that covers the employees of the business;

(C) does not provide benefits to anyone except the employer (and the employer’s spouse) or the partners (and their spouses);

(D) does not cover a business that is a member of an affiliated service group, a controlled group of corporations, or a group of businesses under common control; and

(E) does not cover a business that leases employees.

(3) **OTHER DEFINITIONS.**—Terms used in paragraph (2) which are also used in section 414 of the Internal Revenue Code of 1986 shall

have the respective meanings given such terms by such section.

(b) **SIMPLIFIED ANNUAL FILING REQUIREMENT FOR PLANS WITH FEWER THAN 25 EMPLOYEES.**—In the case of plan years beginning after December 31, 2002, the Secretary of the Treasury and the Secretary of Labor shall provide for the filing of a simplified annual return for any retirement plan which covers less than 25 employees on the first day of a plan year and which meets the requirements described in subparagraphs (B), (D), and (E) of subsection (a)(2).

(c) **EFFECTIVE DATE.**—The provisions of this section shall take effect on January 1, 2002.

**SEC. 607. IMPROVEMENT OF EMPLOYEE PLANS COMPLIANCE RESOLUTION SYSTEM.**

The Secretary of the Treasury shall continue to update and improve the Employee Plans Compliance Resolution System (or any successor program) giving special attention to—

(1) increasing the awareness and knowledge of small employers concerning the availability and use of the program;

(2) taking into account special concerns and circumstances that small employers face with respect to compliance and correction of compliance failures;

(3) extending the duration of the self-correction period under the Self-Correction Program for significant compliance failures;

(4) expanding the availability to correct insignificant compliance failures under the Self-Correction Program during audit; and

(5) assuring that any tax, penalty, or sanction that is imposed by reason of a compliance failure is not excessive and bears a reasonable relationship to the nature, extent, and severity of the failure.

**SEC. 608. REPEAL OF THE MULTIPLE USE TEST.**

(a) **IN GENERAL.**—Paragraph (9) of section 401(m) is amended to read as follows:

“(9) **REGULATIONS.**—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and subsection (k), including regulations permitting appropriate aggregation of plans and contributions.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to years beginning after December 31, 2001.

**SEC. 609. FLEXIBILITY IN NONDISCRIMINATION, COVERAGE, AND LINE OF BUSINESS RULES.**

(a) **NONDISCRIMINATION.**—

(1) **IN GENERAL.**—The Secretary of the Treasury shall, by regulation, provide that a plan shall be deemed to satisfy the requirements of section 401(a)(4) of the Internal Revenue Code of 1986 if such plan satisfies the facts and circumstances test under section 401(a)(4) of such Code, as in effect before January 1, 1994, but only if—

(A) the plan satisfies conditions prescribed by the Secretary to appropriately limit the availability of such test; and

(B) the plan is submitted to the Secretary for a determination of whether it satisfies such test.

Subparagraph (B) shall only apply to the extent provided by the Secretary.

(2) **EFFECTIVE DATES.**—

(A) **REGULATIONS.**—The regulation required by paragraph (1) shall apply to years beginning after December 31, 2003.

(B) **CONDITIONS OF AVAILABILITY.**—Any condition of availability prescribed by the Secretary under paragraph (1)(A) shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

(b) **COVERAGE TEST.**—

(1) **IN GENERAL.**—Section 410(b)(1) (relating to minimum coverage requirements) is amended by adding at the end the following:

“(D) In the case that the plan fails to meet the requirements of subparagraphs (A), (B) and (C), the plan—

“(i) satisfies subparagraph (B), as in effect immediately before the enactment of the Tax Reform Act of 1986,

“(ii) is submitted to the Secretary for a determination of whether it satisfies the requirement described in clause (i), and

“(iii) satisfies conditions prescribed by the Secretary by regulation that appropriately limit the availability of this subparagraph.

Clause (ii) shall apply only to the extent provided by the Secretary.”.

(2) **EFFECTIVE DATES.**—

(A) **IN GENERAL.**—The amendment made by paragraph (1) shall apply to years beginning after December 31, 2003.

(B) **CONDITIONS OF AVAILABILITY.**—Any condition of availability prescribed by the Secretary under regulations prescribed by the Secretary under section 410(b)(1)(D) of the Internal Revenue Code of 1986 shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

(c) **LINE OF BUSINESS RULES.**—The Secretary of the Treasury shall, on or before December 31, 2003, modify the existing regulations issued under section 414(r) of the Internal Revenue Code of 1986 in order to expand (to the extent that the Secretary determines appropriate) the ability of a pension plan to demonstrate compliance with the line of business requirements based upon the facts and circumstances surrounding the design and operation of the plan, even though the plan is unable to satisfy the mechanical tests currently used to determine compliance.

**SEC. 610. EXTENSION TO ALL GOVERNMENTAL PLANS OF MORATORIUM ON APPLICATION OF CERTAIN NONDISCRIMINATION RULES APPLICABLE TO STATE AND LOCAL PLANS.**

(a) **IN GENERAL.**—

(1) Subparagraph (G) of section 401(a)(5) of the Internal Revenue Code of 1986 and subparagraph (H) of section 401(a)(26) are each amended by striking “section 414(d)” and all that follows and inserting “section 414(d)”. .

(2) Subparagraph (G) of section 401(k)(3) and paragraph (2) of section 1505(d) of the Taxpayer Relief Act of 1997 are each amended by striking “maintained by a State or local government or political subdivision thereof (or agency or instrumentality thereof)”.

(b) **CONFORMING AMENDMENTS.**—

(1) The heading for subparagraph (G) of section 401(a)(5) is amended to read as follows: “GOVERNMENTAL PLANS.—”.

(2) The heading for subparagraph (H) of section 401(a)(26) is amended to read as follows: “EXCEPTION FOR GOVERNMENTAL PLANS.—”.

(3) Subparagraph (G) of section 401(k)(3) is amended by inserting “GOVERNMENTAL PLANS.—” after “(G)”. .

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to years beginning after December 31, 2001.

**SEC. 611. NOTICE AND CONSENT PERIOD REGARDING DISTRIBUTIONS.**

(a) **EXPANSION OF PERIOD.**—

(1) **AMENDMENT OF INTERNAL REVENUE CODE.**—

(A) **IN GENERAL.**—Subparagraph (A) of section 417(a)(6) is amended by striking “90-day” and inserting “180-day”.

(B) **MODIFICATION OF REGULATIONS.**—The Secretary of the Treasury shall modify the regulations under sections 402(f), 411(a)(11), and 417 of the Internal Revenue Code of 1986 to substitute “180 days” for “90 days” each place it appears in Treasury Regulations sections 1.402(f)-1, 1.411(a)-11(c), and 1.417(e)-1(b).

## (2) AMENDMENT OF ERISA.—

(A) IN GENERAL.—Section 205(c)(7)(A) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055(c)(7)(A)) is amended by striking “90-day” and inserting “180-day”.

(B) MODIFICATION OF REGULATIONS.—The Secretary of the Treasury shall modify the regulations under part 2 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 to the extent that they relate to sections 203(e) and 205 of such Act to substitute “180 days” for “90 days” each place it appears.

(3) EFFECTIVE DATE.—The amendments made by paragraph (1)(A) and (2)(A) and the modifications required by paragraph (1)(B) shall apply to years beginning after December 31, 2001.

(b) CONSENT REGULATION INAPPLICABLE TO CERTAIN DISTRIBUTIONS.—

(1) IN GENERAL.—The Secretary of the Treasury shall modify the regulations under section 411(a)(11) of the Internal Revenue Code of 1986 and under section 205 of the Employee Retirement Income Security Act of 1974 to provide that the description of a participant's right, if any, to defer receipt of a distribution shall also describe the consequences of failing to defer such receipt.

(2) EFFECTIVE DATE.—The modifications required by paragraph (1) shall apply to years beginning after December 31, 2001.

**SEC. 612. ANNUAL REPORT DISSEMINATION.**

(a) REPORT AVAILABLE THROUGH ELECTRONIC MEANS.—Section 104(b)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(b)(3)) is amended by adding at the end the following new sentence: “The requirement to furnish information under the previous sentence shall be satisfied if the administrator makes such information reasonably available through electronic means or other new technology.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to reports for years beginning after December 31, 2000.

**SEC. 613. TECHNICAL CORRECTIONS TO SAVER ACT.**

Section 517 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1147) is amended—

(1) in subsection (a), by striking “2001 and 2005 on or after September 1 of each year involved” and inserting “2001, 2005, and 2009 in the month of September of each year involved”;

(2) in subsection (b), by adding at the end the following new sentence: “To effectuate the purposes of this paragraph, the Secretary may enter into a cooperative agreement, pursuant to the Federal Grant and Cooperative Agreement Act of 1977 (31 U.S.C. 6301 et seq.), with the American Savings Education Council or any other appropriate, qualified entity.”;

(3) in subsection (e)(2)—

(A) by striking “Committee on Labor and Human Resources” in subparagraph (D) and inserting “Committee on Health, Education, Labor, and Pensions”;

(B) by striking subparagraph (F) and inserting the following:

“(F) the Chairman and Ranking Member of the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations of the House of Representatives and the Chairman and Ranking Member of the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations of the Senate”;

(C) by redesignating subparagraph (G) as subparagraph (J); and

(D) by inserting after subparagraph (F) the following new subparagraphs:

“(G) the Chairman and Ranking Member of the Committee on Finance of the Senate;

“(H) the Chairman and Ranking Member of the Committee on Ways and Means of the House of Representatives;

“(I) the Chairman and Ranking Member of the Subcommittee on Employer-Employee Relations of the Committee on Education and the Workforce of the House of Representatives; and”;

(4) in subsection (e)(3)—

(A) by striking “There shall be not more than 200 additional participants.” in subparagraph (A) and inserting “The participants in the National Summit shall also include additional participants appointed under this subparagraph.”;

(B) by striking “one-half shall be appointed by the President,” in subparagraph (A)(i) and inserting “not more than 100 participants shall be appointed under this clause by the President.”;

(C) by striking “one-half shall be appointed by the elected leaders of Congress” in subparagraph (A)(ii) and inserting “not more than 100 participants shall be appointed under this clause by the elected leaders of Congress”;

(D) by redesignating subparagraph (B) as subparagraph (C); and

(E) by inserting after subparagraph (A) the following new subparagraph:

“(B) PRESIDENTIAL AUTHORITY FOR ADDITIONAL APPOINTMENTS.—The President, in consultation with the elected leaders of Congress referred to in subsection (a), may appoint under this subparagraph additional participants to the National Summit. The number of such additional participants appointed under this subparagraph may not exceed the lesser of 3 percent of the total number of all additional participants appointed under this paragraph, or 10. Such additional participants shall be appointed from persons nominated by the organization referred to in subsection (b)(2) which is made up of private sector businesses and associations partnered with Government entities to promote long term financial security in retirement through savings and with which the Secretary is required thereunder to consult and cooperate and shall not be Federal, State, or local government employees.”;

(5) in subsection (e)(3)(C) (as redesignated), by striking “January 31, 1998” and inserting “May 1, 2001, May 1, 2005, and May 1, 2009, for each of the subsequent summits, respectively”;

(6) in subsection (f)(1)(C), by inserting “, no later than 90 days prior to the date of the commencement of the National Summit,” after “comment”;

(7) in subsection (g), by inserting “, in consultation with the congressional leaders specified in subsection (e)(2),” after “report” the first place it appears;

(8) in subsection (i)—

(A) by striking “beginning on or after October 1, 1997” in paragraph (1) and inserting “2001, 2005, and 2009”; and

(B) by adding at the end the following new paragraph:

“(3) RECEPTION AND REPRESENTATION AUTHORITY.—The Secretary is hereby granted reception and representation authority limited specifically to the events at the National Summit. The Secretary shall use any private contributions accepted in connection with the National Summit prior to using funds appropriated for purposes of the National Summit pursuant to this paragraph.”;

and

(9) in subsection (k)—

(A) by striking “shall enter into a contract on a sole-source basis” and inserting “may enter into a contract on a sole-source basis”; and

(B) by striking “fiscal year 1998” and inserting “fiscal years 2001, 2005, and 2009”.

**TITLE VII—OTHER ERISA PROVISIONS****SEC. 701. MISSING PARTICIPANTS.**

(a) IN GENERAL.—Section 4050 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1350) is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following new subsections:

“(c) MULTIEMPLOYER PLANS.—The corporation shall prescribe rules similar to the rules in subsection (a) for multiemployer plans covered by this title that terminate under section 4041A.

“(d) PLANS NOT OTHERWISE SUBJECT TO TITLE.—

“(1) TRANSFER TO CORPORATION.—The plan administrator of a plan described in paragraph (4) may elect to transfer a missing participant's benefits to the corporation upon termination of the plan.

“(2) INFORMATION TO THE CORPORATION.—To the extent provided in regulations, the plan administrator of a plan described in paragraph (4) shall, upon termination of the plan, provide the corporation information with respect to benefits of a missing participant if the plan transfers such benefits—

“(A) to the corporation, or

“(B) to an entity other than the corporation or a plan described in paragraph (4)(B)(ii).

“(3) PAYMENT BY THE CORPORATION.—If benefits of a missing participant were transferred to the corporation under paragraph (1), the corporation shall, upon location of the participant or beneficiary, pay to the participant or beneficiary the amount transferred (or the appropriate survivor benefit) either—

“(A) in a single sum (plus interest), or

“(B) in such other form as is specified in regulations of the corporation.

“(4) PLANS DESCRIBED.—A plan is described in this paragraph if—

“(A) the plan is a pension plan (within the meaning of section 3(2))—

“(i) to which the provisions of this section do not apply (without regard to this subsection), and

“(ii) which is not a plan described in paragraphs (2) through (11) of section 4021(b), and

“(B) at the time the assets are to be distributed upon termination, the plan—

“(i) has missing participants, and

“(ii) has not provided for the transfer of assets to pay the benefits of all missing participants to another pension plan (within the meaning of section 3(2)).

“(5) CERTAIN PROVISIONS NOT TO APPLY.—Subsections (a)(1) and (a)(3) shall not apply to a plan described in paragraph (4).”.

(b) CONFORMING AMENDMENTS.—Section 206(f) of such Act (29 U.S.C. 1056(f)) is amended—

(1) by striking “title IV” and inserting “section 4050”; and

(2) by striking “the plan shall provide that,”.

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to distributions made after final regulations implementing subsections (c) and (d) of section 4050 of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)), respectively, are prescribed.

**SEC. 702. REDUCED PBGC PREMIUM FOR NEW PLANS OF SMALL EMPLOYERS.**

(a) IN GENERAL.—Subparagraph (A) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(A)) is amended—

(1) in clause (i), by inserting “other than a new single-employer plan (as defined in subparagraph (F)) maintained by a small employer (as so defined),” after “single-employer plan,”.

(2) in clause (iii), by striking the period at the end and inserting “, and”, and



(3) by adding at the end the following new clause:

“(iv) in the case of a new single-employer plan (as defined in subparagraph (F)) maintained by a small employer (as so defined) for the plan year, \$5 for each individual who is a participant in such plan during the plan year.”.

(b) **DEFINITION OF NEW SINGLE-EMPLOYER PLAN.**—Section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)) is amended by adding at the end the following new subparagraph:

“(F)(i) For purposes of this paragraph, a single-employer plan maintained by a contributing sponsor shall be treated as a new single-employer plan for each of its first 5 plan years if, during the 36-month period ending on the date of the adoption of such plan, the sponsor or any member of such sponsor’s controlled group (or any predecessor of either) did not establish or maintain a plan to which this title applies with respect to which benefits were accrued for substantially the same employees as are in the new single-employer plan.

“(ii)(I) For purposes of this paragraph, the term ‘small employer’ means an employer which on the first day of any plan year has, in aggregation with all members of the controlled group of such employer, 100 or fewer employees.

“(II) In the case of a plan maintained by two or more contributing sponsors that are not part of the same controlled group, the employees of all contributing sponsors and controlled groups of such sponsors shall be aggregated for purposes of determining whether any contributing sponsor is a small employer.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to plans established after December 31, 2001.

**SEC. 703. REDUCTION OF ADDITIONAL PBGC PREMIUM FOR NEW AND SMALL PLANS.**

(a) **NEW PLANS.**—Subparagraph (E) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended by adding at the end the following new clause:

“(v) In the case of a new defined benefit plan, the amount determined under clause (i) for any plan year shall be an amount equal to the product of the amount determined under clause (ii) and the applicable percentage. For purposes of this clause, the term ‘applicable percentage’ means—

“(I) 0 percent, for the first plan year.

“(II) 20 percent, for the second plan year.

“(III) 40 percent, for the third plan year.

“(IV) 60 percent, for the fourth plan year.

“(V) 80 percent, for the fifth plan year.

For purposes of this clause, a defined benefit plan (as defined in section 3(35)) maintained by a contributing sponsor shall be treated as a new defined benefit plan for each of its first 5 plan years if, during the 36-month period ending on the date of the adoption of the plan, the sponsor and each member of any controlled group including the sponsor (or any predecessor of either) did not establish or maintain a plan to which this title applies with respect to which benefits were accrued for substantially the same employees as are in the new plan.”.

(b) **SMALL PLANS.**—Paragraph (3) of section 4006(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)), as amended by section 702(b), is amended—

(1) by striking “The” in subparagraph (E)(i) and inserting “Except as provided in subparagraph (G), the”, and

(2) by inserting after subparagraph (F) the following new subparagraph:

“(G)(i) In the case of an employer who has 25 or fewer employees on the first day of the plan year, the additional premium deter-

mined under subparagraph (E) for each participant shall not exceed \$5 multiplied by the number of participants in the plan as of the close of the preceding plan year.

“(ii) For purposes of clause (i), whether an employer has 25 or fewer employees on the first day of the plan year is determined taking into consideration all of the employees of all members of the contributing sponsor’s controlled group. In the case of a plan maintained by two or more contributing sponsors, the employees of all contributing sponsors and their controlled groups shall be aggregated for purposes of determining whether the 25-or-fewer-employees limitation has been satisfied.”.

(c) **EFFECTIVE DATES.**—

(1) **SUBSECTION (a).**—The amendments made by subsection (a) shall apply to plans established after December 31, 2001.

(2) **SUBSECTION (b).**—The amendments made by subsection (b) shall apply to plan years beginning after December 31, 2001.

**SEC. 704. AUTHORIZATION FOR PBGC TO PAY INTEREST ON PREMIUM OVERPAYMENT REFUNDS.**

(a) **IN GENERAL.**—Section 4007(b) of the Employment Retirement Income Security Act of 1974 (29 U.S.C. 1307(b)) is amended—

(1) by striking “(b)” and inserting “(b)(1)”, and

(2) by inserting at the end the following new paragraph:

“(2) The corporation is authorized to pay, subject to regulations prescribed by the corporation, interest on the amount of any overpayment of premium refunded to a designated payor. Interest under this paragraph shall be calculated at the same rate and in the same manner as interest is calculated for underpayments under paragraph (1).”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to interest accruing for periods beginning not earlier than the date of the enactment of this Act.

**SEC. 705. SUBSTANTIAL OWNER BENEFITS IN TERMINATED PLANS.**

(a) **MODIFICATION OF PHASE-IN OF GUARANTEE.**—Section 4022(b)(5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(b)(5)) is amended to read as follows:

“(5)(A) For purposes of this paragraph, the term ‘majority owner’ means an individual who, at any time during the 60-month period ending on the date the determination is being made—

“(i) owns the entire interest in an unincorporated trade or business,

“(ii) in the case of a partnership, is a partner who owns, directly or indirectly, 50 percent or more of either the capital interest or the profits interest in such partnership, or

“(iii) in the case of a corporation, owns, directly or indirectly, 50 percent or more in value of either the voting stock of that corporation or all the stock of that corporation. For purposes of clause (iii), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 shall apply (determined without regard to section 1563(e)(3)(C)).

“(B) In the case of a participant who is a majority owner, the amount of benefits guaranteed under this section shall equal the product of—

“(i) a fraction (not to exceed 1) the numerator of which is the number of years from the later of the effective date or the adoption date of the plan to the termination date, and the denominator of which is 10, and

“(ii) the amount of benefits that would be guaranteed under this section if the participant were not a majority owner.”.

(b) **MODIFICATION OF ALLOCATION OF ASSETS.**—

(1) Section 4044(a)(4)(B) of the Employee Retirement Income Security Act of 1974 (29

U.S.C. 1344(a)(4)(B)) is amended by striking “section 4022(b)(5)” and inserting “section 4022(b)(5)(B)”.

(2) Section 4044(b) of such Act (29 U.S.C. 1344(b)) is amended—

(A) by striking “(5)” in paragraph (2) and inserting “(4), (5),”, and

(B) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively, and by inserting after paragraph (2) the following new paragraph:

“(3) If assets available for allocation under paragraph (4) of subsection (a) are insufficient to satisfy in full the benefits of all individuals who are described in that paragraph, the assets shall be allocated first to benefits described in subparagraph (A) of that paragraph. Any remaining assets shall then be allocated to benefits described in subparagraph (B) of that paragraph. If assets allocated to such subparagraph (B) are insufficient to satisfy in full the benefits described in that subparagraph, the assets shall be allocated pro rata among individuals on the basis of the present value (as of the termination date) of their respective benefits described in that subparagraph.”.

(c) **CONFORMING AMENDMENTS.**—

(1) Section 4021 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1321) is amended—

(A) in subsection (b)(9), by striking “as defined in section 4022(b)(6)”, and

(B) by adding at the end the following new subsection:

“(d) For purposes of subsection (b)(9), the term ‘substantial owner’ means an individual who, at any time during the 60-month period ending on the date the determination is being made—

“(1) owns the entire interest in an unincorporated trade or business,

“(2) in the case of a partnership, is a partner who owns, directly or indirectly, more than 10 percent of either the capital interest or the profits interest in such partnership, or

“(3) in the case of a corporation, owns, directly or indirectly, more than 10 percent in value of either the voting stock of that corporation or all the stock of that corporation.

For purposes of paragraph (3), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 shall apply (determined without regard to section 1563(e)(3)(C)).”.

(2) Section 4043(c)(7) of such Act (29 U.S.C. 1343(c)(7)) is amended by striking “section 4022(b)(6)” and inserting “section 4021(d)”.

(d) **EFFECTIVE DATES.**—

(1) **IN GENERAL.**—Except as provided in paragraph (2), the amendments made by this section shall apply to plan terminations—

(A) under section 4041(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(c)) with respect to which notices of intent to terminate are provided under section 4041(a)(2) of such Act (29 U.S.C. 1341(a)(2)) after December 31, 2001, and

(B) under section 4042 of such Act (29 U.S.C. 1342) with respect to which proceedings are instituted by the corporation after such date.

(2) **CONFORMING AMENDMENTS.**—The amendments made by subsection (c) shall take effect on January 1, 2002.

**SEC. 706. CIVIL PENALTIES FOR BREACH OF FIDUCIARY RESPONSIBILITY.**

(a) **IMPOSITION AND AMOUNT OF PENALTY MADE DISCRETIONARY.**—Section 502(l)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(l)(1)) is amended—

(1) by striking “shall” and inserting “may”, and

(2) by striking “equal to” and inserting “not greater than”.

(b) **APPLICABLE RECOVERY AMOUNT.**—Section 502(l)(2) of such Act (29 U.S.C. 1132(l)(2))

is amended by inserting after “fiduciary or other person” the following: “(or from any other person on behalf of any such fiduciary or other person)”.

(c) OTHER RULES.—Section 502(l) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(l)) is amended by adding at the end the following new paragraphs:

“(5) A person shall be jointly and severally liable for the penalty described in paragraph (1) to the same extent that such person is jointly and severally liable for the applicable recovery amount on which the penalty is based.

“(6) No penalty shall be assessed under this subsection unless the person against whom the penalty is assessed is given notice and opportunity for a hearing with respect to the violation and applicable recovery amount.”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to any breach of fiduciary responsibility or other violation of part 4 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 occurring on or after the date of the enactment of this Act.

#### SEC. 707. BENEFIT SUSPENSION NOTICE.

(a) MODIFICATION OF REGULATION.—The Secretary of Labor shall modify the regulation under subparagraph (B) of section 203(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)(3)(B)) to provide that the notification required by such regulation in connection with any suspension of benefits described in such subparagraph—

(1) in the case of an employee who returns to service under the plan after commencement of payment of benefits under the plan—

(A) shall be made during the first calendar month or payroll period in which the plan withholds payments, and

(B) if a reduced rate of future benefit accrual will apply to the returning employee (as of the first date of participation in the plan by the employee after returning to work), shall include a statement that the rate of future benefit accrual will be reduced, and

(2) in the case of any employee who is not described in paragraph (1)—

(A) may be included in the summary plan description for the plan furnished in accordance with section 104(b) of such Act (29 U.S.C. 1024(b)), rather than in a separate notice, and

(B) need not include a copy of the relevant plan provisions.

(b) EFFECTIVE DATE.—The modification made under this section shall apply to plan years beginning after December 31, 2001.

#### SEC. 708. STUDIES.

(a) MODEL SMALL EMPLOYER GROUP PLANS STUDY.—As soon as practicable after the date of the enactment of this Act, the Secretary of Labor, in consultation with the Secretary of the Treasury, shall conduct a study to determine—

(1) the most appropriate form or forms of—  
(A) employee pension benefit plans which would—

(i) be simple in form and easily maintained by multiple small employers, and

(ii) provide for ready portability of benefits for all participants and beneficiaries,

(B) alternative arrangements providing comparable benefits which may be established by employee or employer associations, and

(C) alternative arrangements providing comparable benefits to which employees may contribute in a manner independent of employer sponsorship, and

(2) appropriate methods and strategies for making pension plan coverage described in paragraph (1) more widely available to American workers.

(b) MATTERS TO BE CONSIDERED.—In conducting the study under subsection (a), the Secretary of Labor shall consider the adequacy and availability of existing employee pension benefit plans and the extent to which existing models may be modified to be more accessible to both employees and employers.

(c) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary of Labor shall report the results of the study under subsection (a), together with the Secretary's recommendations, to the Committee on Education and the Workforce and the Committee on Ways and Means of the House of Representatives and the Committee on Health, Education, Labor, and Pensions and the Committee on Finance of the Senate. Such recommendations shall include one or more model plans described in subsection (a)(1)(A) and model alternative arrangements described in subsections (a)(1)(B) and (a)(1)(C) which may serve as the basis for appropriate administrative or legislative action.

(d) STUDY ON EFFECT OF LEGISLATION.—Not later than 5 years after the date of the enactment of this Act, the Secretary of Labor shall submit to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report on the effect of the provisions of this Act on pension plan coverage, including any change in—

(1) the extent of pension plan coverage for low and middle-income workers,

(2) the levels of pension plan benefits generally,

(3) the quality of pension plan coverage generally,

(4) workers' access to and participation in pension plans, and

(5) retirement security.

#### TITLE VIII—PLAN AMENDMENTS

#### SEC. 801. PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) IN GENERAL.—If this section applies to any plan or contract amendment—

(1) such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subsection (b)(2)(A); and

(2) except as provided by the Secretary of the Treasury, such plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 or section 204(g) of the Employee Retirement Income Security Act of 1974 by reason of such amendment.

(b) AMENDMENTS TO WHICH SECTION APPLIES.—

(1) IN GENERAL.—This section shall apply to any amendment to any plan or annuity contract which is made—

(A) pursuant to any amendment made by this Act, or pursuant to any regulation issued under this Act; and

(B) on or before the last day of the first plan year beginning on or after January 1, 2004.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this paragraph shall be applied by substituting “2006” for “2004”.

(2) CONDITIONS.—This section shall not apply to any amendment unless—

(A) during the period—

(i) beginning on the date the legislative or regulatory amendment described in paragraph (1)(A) takes effect (or in the case of a plan or contract amendment not required by such legislative or regulatory amendment, the effective date specified by the plan); and

(ii) ending on the date described in paragraph (1)(B) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect; and

(B) such plan or contract amendment applies retroactively for such period.